



Daily Report

East Asia

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CONTENTS

10 February 1993

NOTICE TO READERS: An * indicates material not disseminated in electronic form.

NORTHEAST ASIA

Japan

Tokyo on U.S. 'Tilt Toward Protectionism' [KYODO]	1
Hiraiwa Urges U.S. 'Caution' [KYODO]	1
Kaifu Speaks Against Protectionism [KYODO]	1
Reasons for Watanabe's U.S. Visit Viewed [KYODO]	2
Trip Intended To Reaffirm Alliance [KYODO]	2
Watanabe To Discuss Cost Sharing [KYODO]	3
Miyazawa 'Intends To Reply' to Clinton Letter [KYODO]	3
Trade Surplus on Agenda of Talks With Bentsen [KYODO]	3
Official Says Yen-Dollar Rate Not Surprising [KYODO]	4
Tanahashi Warns About Rapid Yen Rate Increase [KYODO]	4
Decision To Drop Car Dumping Suit Viewed	4
MITI 'Relieved' But 'Cautious' [KYODO]	4
Toyota Chief Welcomes Decision [KYODO]	5
Tokyo To Seek U.S. Support on Islands Issue [KYODO]	5
Miyazawa, Watanabe at Gathering About Islands [KYODO]	5
Tokyo To Invite Yeltsin To Attend Summit [KYODO]	6
Doctors Allowed To Treat 3d-Nation Peacekeepers [KYODO]	6
SDF Unit To Expand Peacekeeping Activities [KYODO]	6
LDP's Obuchi Proposes Nov General Election [KYODO]	7
LDP Member Tells Diet Takeshita Note 'Lost' [KYODO]	7
Parties Reach Accord; Diet Session To Resume [KYODO]	7
LDP's Obuchi Urges Redenomination of Yen [KYODO]	8
Tanahashi Urges Banks To Lower Lending Rates [KYODO]	8
Agency Reports Economy Remains in 'Slump' [KYODO]	8
Tokyo Decides To Submit Regional Economy Bill [KYODO]	9
Labor-Cutting Measures Seen in Wider Areas [KYODO]	9
Government Urges Firms Not To Cut Jobs [KYODO]	9
Akamatsu Changes Nuclear Policy, Urges Plants [KYODO]	10
Fellow Legislators Criticize Remarks [KYODO]	10

North Korea

Rumors of Kim Il-song Illness Spark Speculation [KYODO]	10
Radio Notes U.S. Evangelist Remarks on Ties [Pyongyang Radio]	11
'Honesty' of Nuclear Policy Proven by Inspections [KCNA]	11
Daily Urges Removal of 'Danger of Nuclear War' [KCNA]	11
CPRF Warns U.S., ROK Against Starting 'New War' [KCNA]	12
KCNA Interviews Recent Defector From South	12
Daily Calls South Court Decision 'Disgusting' [KCNA]	13
Daily: 'Civilian Politics' in South Not Possible [KCNA]	13
Meeting Marks 45th Anniversary of South Movement [KCNA]	14
SKNDF Says South Government 'Mockery' of People [KCNA]	14
Koreans in Europe Finalize 'Action Program' [KCNA]	14
Overseas Korean Leader Urges End to Team Spirit [KCNA]	15
Anniversary of 3-Revolution Team Movement Marked [KCNA]	15
Daily Outlines Three Principles for Reunification [KCNA]	16
KPA Vice Marshal Lauds Kim Chong-il Leadership [Pyongyang Radio]	16
Youth Brigade Achieves Construction Innovations [KCNA]	19

KCNA Reports Unjon County's Farming Progress	20
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South Korea

Paper: IAEA To Ask DPRK To Accept Inspections [YONHAP]	20
ROK To Support IAEA on DPRK Inspection [YONHAP]	20
NUB Urges More DPRK Trade To Counter Japan [YONHAP]	21
DPRK Seeking Investors for Oil Development [TONG-A ILBO 5 Feb]	21
Russian Ministry Reveals DPRK Owes \$3.3 Billion [CHUNGANG ILBO 9 Feb]	22
Russian Decision To Observe Team Spirit Reviewed [TONG-A ILBO 9 Feb]	22
ROK May Take U.S. To Court on Dumping Charge [YONHAP]	23
ROK Expects U.S. To Step Up Market Pressure [THE KOREA TIMES 10 Feb]	23
U.S. Expected To Renew Beef Quota Demands [THE KOREA HERALD 10 Feb]	24
ITC Favors U.S. on Pipe Fittings From ROK [YONHAP]	24
Nations File 14 Dumping Rulings Against ROK [YONHAP]	25
Communications Loan Set for Romania [YONHAP]	25
KAL To Debut Seoul-Gdansk Charter Flight [YONHAP]	25
Environmental Meeting Approves Wildlife Project [YONHAP]	25
Chong Resignation From Politics Affects UPP	26
Song First To Leave After Chong [YONHAP]	26
UPP Lawmakers May Join DLP [YONHAP]	26
Premier Addresses National Assembly Session [YONHAP]	26
Officials Vow to Fight Government Corruption	27
DLP To Form Anticorruption Group [YONHAP]	27
Kim Yong-sam Vows To Step Up Fight [THE KOREA TIMES 10 Feb]	27
Transition Team Finishes Draft Bill [YONHAP]	28
Former Official Sentenced for Election Misdeeds [YONHAP]	28
\$12.75 Billion To Be Spent on Developing Ports [YONHAP]	29

SOUTHEAST ASIA

Burma

SLORC Meets Consensus Problems at Convention [AFP]	30
Delegates Hold 6th Day of Panel Discussions [Rangoon TV]	30
Commentary Views Growing PRC Influence [London International]	31

Brunei, Malaysia & Singapore

Malaysia

Mahathir Fetes Mauritius' Jugnauth [BERNAMA]	32
Bosnia To Open Embassy by End of Feb [NEW STRAITS TIMES 8 Feb]	32
USNO Restates Refusal To Cooperate With PBS [Kuala Lumpur Radio]	33
Foreign Minister Returns From Jakarta [Kuala Lumpur Radio]	33

Cambodia

Hun Sen Suggests Offensive if Buffer Rejected [KYODO]	33
Falt: Siem Reap CPAF 'Generally Uncooperative' [AFP]	34
SRV Forces 'Control' Communications Ministry [Radio VGNUFC]	34
KR Elements Said To Raid Bakan District Seat [Phnom Penh Radio]	34
Sihanouk Pays 'Homage' to France, Mitterrand [SPK]	35
'Somber' Sihanouk Arrives in Phnom Penh 9 Feb [AFP]	35
Officials, Diplomats Greet Prince [Phnom Penh Radio]	35
Sihanouk Chairs SNC Meeting in Phnom Penh [Phnom Penh Radio]	36
Factions Criticize Each Other [AFP]	36
SNC Bans Precious Gems Exports [AFP]	37
Enforcement Onus on Thai Military [AFP]	37
Commentary: Mitterrand Visit Benefits Vietnamese [Radio VGNUFC]	37
Government Admits Officials 'Might Be' Culprits [AFP]	38

Thai General Wimon Visits, Comments on Fighting [Bangkok TV]	38
UN Trooper Returns Fire in Siem Riep Incident [Melbourne International]	39
Extra Security Measures Taken for Mitterrand [AFP]	39
AFP Reports Itinerary of France's Mitterrand [SPK]	40

Laos

President Receives ASEAN Parliamentary Group [Vientiane Radio]	40
Phao Bounnaphon Addresses Tourism Seminar [Vientiane Radio]	40

Philippines

U.S. Consultants' Departure Blocked [Manila Radio]	41
Foreign Secretary To Visit PRC for Trade Talks [THE MANILA CHRONICLE 10 Feb]	41
Paper Views Ramos' Planned Overseas Trips [THE MANILA CHRONICLE 6 Feb]	42
1992 Real Agricultural Output Down Slightly [BUSINESS WORLD 10 Feb]	42
Paper Discusses Effective Use of Foreign Aid [THE MANILA CHRONICLE 10 Feb]	43
Official Reports 'Flat' Economic Results [PHILIPPINE DAILY INQUIRER 6 Feb]	44
Central Bank Reveals \$30-Billion Foreign Debt [BUSINESS WORLD 9 Feb]	44
Mindanao Power Line Sabotaged Before Ramos Visit [THE MANILA CHRONICLE 10 Feb]	45

Thailand

Dalai Lama To Campaign for Suu Kyi's Release [THE NATION 10 Feb]	45
Paper Lauds Government Decision on Visit [THE NATION 10 Feb]	46
Effects on PRC, Burma Ties Examined [THE NATION 10 Feb]	47
Spokesman Dismisses PRC 'Warning' [AFP]	48
Prasong: Sihanouk Hesitation on Poll 'Worrying' [BANGKOK POST 9 Feb]	49
NSC Chief Comments on Cambodian Polls [Bangkok TV]	49
Chuan Picks Team To Revise Military Regime Laws [THE NATION 10 Feb]	50
Water Shortage Seen as 'Political Crisis' [THE NATION 9 Feb]	50

Vietnam

Reportage on Visit by French President	53
French Envoy Discusses Visit [Hanoi Radio]	53
Paper Welcomes Visit [VNA]	54
Mitterrand Welcomed 9 Feb [Hanoi Radio]	54
Meets Le Duc Anh, Do Muoi [Hanoi Radio]	55
Pledges To Help Overturn U.S. Embargo [AFP]	55
Emphasizes Issue at News Conference [AFP]	56
Hanoi Radio Reports Meetings	56
Le Duc Anh Speaks at Banquet [Hanoi Radio]	57
Paris TV Reports Dinner Comments	58
Mme Mitterrand Unable To Visit [Hanoi Radio]	58
Agreements Signed 10 Feb [Hanoi Radio]	58
Minister Defends Human Rights Record [AFP]	59
Mitterrand Calls on Pham Van Dong [VNA]	59
Visits Dien Bien Phu, Ho Chi Minh City [Hanoi Radio]	59

Japan

Tokyo on U.S. 'Tilt Toward Protectionism'

OW1002040593 Tokyo KYODO in English 0353 GMT
10 Feb 93

[Report by Antonio Kamiya]

[Text] Washington, Feb. 9 KYODO—The Japanese Government served notice to Washington on Tuesday that Tokyo is concerned about a "tilt" toward protectionism by the administration of the President Bill Clinton, Japanese sources here said.

The sources said special government envoy Nobuo Matsunaga conveyed Tokyo's message in a meeting with U.S. Trade Representative Mickey Kantor.

Matsunaga, a former ambassador to the United States, told Kantor that Japan hopes that the Clinton administration will refrain from taking "unilateral" actions in addressing trade disputes with its trading partners.

"A tilt toward unilateral actions on trade disputes is not a good thing for the world as a whole or in the relations between Japan and the United States," Matsunaga reportedly told Kantor.

Japanese diplomatic sources said Matsunaga cited reported moves in the Clinton administration to boost duties on Japanese minivan imports as well as a pending steel dumping case as examples of "unilateral" U.S. moves in addressing trade disputes.

While voicing Japan's concern on U.S. protectionism, Matsunaga also said the Japanese Government believes that the two countries should have high-level contacts to resolve differences on trade issues, the sources said.

Kantor responded that the United States is concerned about the growing trade deficit with Japan and the Clinton administration is determined to narrow the deficit by expanding exports, they said.

As part of U.S. efforts to push for more exports, Kantor said the administration will support efforts in Congress to revive the "Super 301" legislation, enabling the U.S. to retaliate against trading partners indulging in what it regards as unfair practices.

Matsunaga's trip marks the start of a Japanese diplomatic offensive to outline Japan's policy concerns to the Clinton administration.

On Thursday, Japanese Foreign Minister Michio Watanabe is set to arrive in Washington on a three-day visit for talks with senior administration officials.

White House Spokesman George Stephanopoulos said Tuesday that Clinton wants a constructive and productive relationship with Japan and will convey that message in a meeting [with] Watanabe on Thursday.

While in Washington, Watanabe is also slated to meet with Presidential National Security Adviser Tony Lake, Secretary of State Warren Christopher, and other senior administration officials.

Japanese Finance Minister Yoshiro Hayashi is also slated to visit Washington later this week for talks with Treasury Secretary Lloyd Bentsen.

Hiraiwa Urges U.S. 'Caution'

OW0802165093 Tokyo KYODO in English 1201 GMT
8 Feb 93

[Text] Tokyo, Feb. 8 KYODO—The United States should exercise caution about trade issues, a top business leader said Monday, reflecting growing fears in the Japanese business community about recent U.S. protectionist moves.

"I want the United States to act cautiously," said Gaishi Hiraiwa, chairman of the Federation of Economic Organizations (Keidanren), at a press conference.

Noting the new U.S. Administration appears prepared to press for competition in areas where the United States wants to compete, Hiraiwa said Japan should speak of its views rather than await U.S. action. Hiraiwa's comments come amid perceived signs of growing U.S. protectionism in tough trade bills filed recently against Japan.

He expressed regret at a preliminary U.S. decision to impose dumping penalties against steel imports from Japan and 18 other countries and called on the U.S. Government to be careful about the issue. The U.S. Commerce Department is expected to make a final ruling on steel exporters from Japan and five other countries by April 12. The deadline for other exporters is set for mid-June.

Hiraiwa also urged U.S. caution about raising tariffs on imported minivans, primarily made in Japan.

"The U.S. auto industry is getting better. (If the tariffs are raised) U.S. auto importers could be at a loss," he said.

Hiraiwa also said he will deliver a speech on the Japan-U.S. relationship at a banquet of the Japan Society of New York on April 20. The keidanren head has long been requested to speak at the U.S. group organized by Japanese and Americans interested in Japan, he said. He withheld saying whether he will meet with U.S. ministerial officials during his trip.

Kaifu Speaks Against Protectionism

OW1002122593 Tokyo KYODO in English 1213 GMT
10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Former Prime Minister Toshiki Kaifu expressed concern Wednesday over the prospect of greater U.S. protectionism with the advent of dual control of the White House and Congress by the Democratic Party.

Kaifu, speaking at a symposium at a Tokyo hotel, said Japan had been confident in the recent past that protectionist bills emanating from the Democratic-controlled Congress would be vetoed by the Republican President.

"But now with the President also coming from the Democrats, I imagine that what will be drawn up as a bill in Congress would not so easily be vetoed," he said.

Kaifu voiced Japan's concern over moves in Congress to revive the so-called Super 301 provision, which would single out "priority" countries for trade talks under threat of retaliation, and moves to implement import restraint measures on the basis of designated market share rather than by volume.

Reasons for Watanabe's U.S. Visit Viewed

OW1002012493 Tokyo KYODO in English 0045 GMT
10 Feb 93

[Text] Washington, Feb. 9 KYODO—President Bill Clinton wants a productive and constructive relationship with Japan and will convey that message when he meets Japanese Foreign Minister Michio Watanabe this week, the White House said Tuesday.

Watanabe is due to arrive Thursday on a three-day visit for talks with senior officials of the Clinton administration.

White House Spokesman George Stephanopoulos said Clinton will see Watanabe on Thursday [11 February] but that the meeting will be very brief.

"The President will greet him and he just will express his wishes for a productive and constructive relationship with Japan," Stephanopoulos said.

He said Clinton will meet Watanabe when the Japanese foreign Minister calls on presidential National Security Adviser Tony Lake at the White House.

During his stay in Washington, Watanabe also will meet Secretary of State Warren Christopher, Defense Secretary Les Aspin, and U.S. Trade Representative Mickey Kantor.

Japanese officials said Watanabe's visit, the first by a Japanese cabinet minister since Clinton took office on January 20, is intended to sound out the new administration's policy on Japan and pledge continued cooperation between the two countries.

Trip Intended To Reaffirm Alliance

OW1002075093 Tokyo KYODO in English 0732 GMT
10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe agreed Wednesday that Watanabe's upcoming trip to Washington is intended to reaffirm the alliance between Japan and the United States on the basis of a bilateral security treaty.

At an hourlong lunch meeting at the prime minister's official residence, Miyazawa and Watanabe also agreed that the premier should visit the U.S. as early as possible by taking into account the schedule of the current ordinary Diet session, Watanabe told reporters after the meeting.

They also reportedly agreed that Japan should facilitate policy coordination among major industrial nations for the prosperity of the global economy.

Watanabe, who also serves as deputy prime minister, will leave for the U.S. on Thursday, staying in Washington until Sunday for bilateral high-level talks with the new U.S. Administration of Bill Clinton.

He told reporters he plans to narrow differences between the two countries' China policies when he meets with U.S. Secretary of State Warren Christopher and other U.S. officials.

Washington-Beijing ties have been chilled since the Chinese military crushed the student-led pro-democracy movement at Beijing's Tiananmen Square in June, 1989.

During his campaign, Clinton supported trade sanctions against China for its poor human rights record, setting the stage for U.S.-China relations to plummet further from an already low level.

Concerning the July 7-9 Tokyo summit of the Group of Seven (G-7) industrial nations, Miyazawa and Watanabe shared a common view that the annual meeting should provide more opportunities to talk about practical business affairs, the foreign minister said.

Wednesday's meeting was the first dialogue for in-depth communication between Miyazawa and Watanabe since the formation of Miyazawa's second cabinet last December.

Chief Cabinet Secretary Yohei Kono said he does not expect specific trade issues to come up during the first high-level bilateral exchange since Clinton took office on January 20.

"Rather than discussing concrete issues we will confirm general positions on bigger issues," Kono told a news conference.

Asked on their reported gulf over such key political issues as constitutional amendments, Watanabe said, "the premier and I are on the same wavelength. We have no divergence on policy matters."

While sidestepping a question on whether Japan will invite Russian President Boris Yeltsin to the Tokyo summit, Watanabe reiterated his plan to assist the economically-strapped Russia in line with a program of the International Monetary Fund (IMF).

Touching on the long-standing territorial dispute with Russia over four islands off Japan's northernmost main island of Hokkaido, the foreign minister said, "the

northern territories are an integral part of Japan, and we cannot shelve the issue and opt not to talk about it."

The former Soviet Union seized the islands of Etorofu, Kunashiri, Shikotan and the Habomai group of islets in the final days of World War II.

Tokyo maintains it will not provide full-scale financial assistance to Moscow until the four islands are returned.

The bilateral ties were further strained last September, when Yeltsin abruptly canceled his planned trip to Japan.

Watanabe To Discuss Cost Sharing

*OW1002103893 Tokyo KYODO in English 1008 GMT
10 Feb 93*

[Text] Tokyo, Feb. 10 KYODO—Foreign Minister Michio Watanabe will inform the United States that Japan plans to continue sharing the costs of keeping U.S. military forces in the nation even after the current agreement expires in fiscal 1995, Foreign Ministry sources said Wednesday.

Watanabe, leaving for Washington Thursday for talks with the new U.S. Administration, will tell his American counterparts that Japan will proceed with the plan from a standpoint of maintaining the U.S.-Japan alliance, the sources said.

Under the 1991-1995 agreement, Japan shoulders 50 percent of the cost of keeping about 50,000 U.S. military personnel stationed in the country. In fiscal 1992, Japan paid some 4 billion dollars under the agreement.

Japan has already agreed to boost the share to 73 percent by fiscal 1995.

The new plan is aimed at maintaining the presence of U.S. forces in Japan by putting more emphasis on Japan's willingness to support them since the U.S. Government may possibly cut its military commitments to the Asia-Pacific region in the future, the sources said.

During the election campaign, U.S. President Bill Clinton proposed defense spending cuts of 60 billion dollars over a five-year period from the amount budgeted under President George Bush.

For the years from fiscal 1996, the Foreign Ministry and the Defense Agency will discuss either revising the current five-year agreement to extend it or entering into an overall new agreement, the sources said.

Miyazawa 'Intends To Reply' to Clinton Letter

*OW1002092193 Tokyo KYODO in English 0909 GMT
10 Feb 93*

[Text] Tokyo, Feb. 10 KYODO—U.S. President Bill Clinton, in a letter to Prime Minister Kiichi Miyazawa, called for Japan and the United States to both make

efforts to reduce the 44 billion dollar trade imbalance in Japan's favor in 1992, the government said Wednesday.

Clinton also sought cooperation in bringing the Uruguay Round of multilateral trade talks to a successful conclusion, Chief Cabinet Secretary Yohei Kono said.

The U.S. is urging Japan to end a ban on rice imports to help conclude the long-stalled multilateral talks.

The letter, delivered Tuesday by visiting U.S. House of Representatives Speaker Tom Foley, is Clinton's first formal communication with Miyazawa since assuming the presidency three weeks ago.

Clinton underscored the importance of bilateral cooperation to world prosperity, and said he is seeking a partnership with shared responsibility, Kono told a news conference.

The U.S. President said he regards continued cooperation in the security field as important for stability in Asia, the government's top spokesman said.

Clinton welcomed Foreign Minister Michio Watanabe's visit to the U.S. starting Thursday, and said he would like to hold talks with Miyazawa as soon as possible, Kono said.

Miyazawa intends to reply to the letter, Kono said.

Trade Surplus on Agenda of Talks With Bentsen

*OW1002110993 Tokyo KYODO in English 1045 GMT
10 Feb 93*

[Text] Tokyo, Feb. 10 KYODO—Japan's mounting trade surplus is expected to be high on the agenda when Finance Minister Yoshiro Hayashi meets U.S. Treasury Secretary Lloyd Bentsen this weekend in Washington, informed sources said Wednesday.

It will be their first meeting since both were appointed to their current posts.

The sources said there is a good possibility that the United States could urge further pump-priming measures by Japan, currently wading through a recession, to stimulate its domestic demand.

Hayashi told reporters earlier this week he expects to "have frank discussions" with Bentsen about U.S. policy of cutting its fiscal deficit, possible assistance to Russia, the global economy, and last but not least, Japan's trade surplus.

Bentsen is expected to meet German Finance Minister Theo Waigel in Washington on Friday before meeting Hayashi Saturday morning. A conference between Hayashi and Waigel is also likely to take place during their stay in the U.S. capital.

The sources said the weekend meetings may serve as prior consultations by the three nations before finance

ministers and central bankers from the Group of Seven (G-7) leading industrialized nations gather in London February 27.

The U.S. economy grew a healthy 3.8 percent in the fourth quarter last year, the highest level in four years, and Washington hopes to boost exports, by having Japan and Europe spur domestic demand, to help its economic recovery, the sources said.

A senior official of the ruling Liberal Democratic Party has said the U.S. could indirectly urge Japan to cut taxes to stimulate consumption, a scheme strongly opposed by the Finance Ministry.

Finance Ministry officials have said the ministry hopes the U.S. will understand Japan's effort to stimulate its economy through the 10.7 trillion yen pump-priming package that was announced last August and the current record low official discount rate of 2.5 percent per annum, compared with 3.0 percent for the U.S.

The yen has been appreciating against the U.S. dollar on speculation that the Hayashi-Bentsen meeting as well as the G-7 meeting will result in agreements to strengthen the yen in light of the growing Japanese trade surplus.

Finance Ministry figures show that Japan's current account surplus reached a record 117.61 billion dollars in 1992.

A senior Finance Ministry official, however, expressed concern that a rapid ballooning of the yen could injure Japanese exporters that already are suffering from an economic downturn.

Official Says Yen-Dollar Rate Not Surprising

*OW1002091493 Tokyo KYODO in English 0857 GMT
10 Feb 93*

[Text] Tokyo, Feb. 10 KYODO—A senior Finance Ministry official said Wednesday the yen is still being traded within "a certain range" against the dollar and the sharp appreciation of the Japanese currency is not so surprising.

But the official, speaking on condition of anonymity, said the yen's rise against the dollar may be a little quick and the ministry will closely watch developments in the foreign exchange market.

The dollar closed in Tokyo on Wednesday at 121.52 yen, falling 0.83 yen from Tuesday.

The U.S. currency temporarily fell to the 120 yen level for the first time since October during the day on speculation that the Group of Seven industrial nations might push for a stronger yen in light of the growing Japanese trade surplus at their meeting on February 27 in London.

There were also anticipations that Japanese Finance Minister Yoshiro Hayashi may agree with U.S. Treasury

Secretary Lloyd Bentsen to strengthen the yen when they meet in Washington this weekend.

The official confirmed the Japanese Government has received an invitation for the G-7 meeting from the British Government, but said the ministry has no information except for the date and the place.

But he indicated there is a possibility that there will be no statements or communicate so participants can concentrate on frank discussion and not spend hours coordinating the wording of documents.

The official also questioned whether the nations actually will agree to guide the Japanese yen to any direction, as is now expected in the market.

Tanahashi Warns About Rapid Yen Rate Increase

*OW1002065293 Tokyo KYODO in English 0615 GMT
10 Feb 93*

[Text] Tokyo, Feb. 10 KYODO—The yen could rise beyond the 120 yen line against the U.S. dollar but a too-rapid increase should be avoided, a senior trade official said Wednesday.

Yuji Tanahashi, vice minister of international trade and industry [MITI], made the comment at a regular press conference, adding, "There will be no problem with the yen-dollar rate at the current level."

The yen rose against the dollar by 1 yen to 121.35 yen on the Tokyo foreign exchange market at 2 P.M. Wednesday, following a 2 yen rise Tuesday.

Decision To Drop Car Dumping Suit Viewed

MITI 'Relieved' But 'Cautious'

*OW1002040993 Tokyo KYODO in English 0345 GMT
10 Feb 93*

[Text] Tokyo, Feb. 10 KYODO—Japan's Trade Ministry is relieved that the big three automakers in the United States have decided not to file a dumping suit against Japanese car imports, ministry officials said Wednesday.

The Ministry of International Trade and Industry (MITI) was concerned about the impact a dumping suit would have on Japan-U.S. relations and global trade, the officials said.

They said the ministry is still cautious about auto trade-related developments because of U.S. moves to raise tariffs on minivans sharply, which are mainly imported from Japan.

There are several reasons for the decision by General Motors Corp., Ford Motor Co., and Chrysler Corp. not to go ahead with the threatened suit, they said.

Among them is an expected outcry from consumers over price hikes for imported cars, the result of the dumping complaint being filed.

The officials said the new administration of President Bill Clinton probably does not want to be shackled by a suit while it works on its trade policies.

They also noted that General Motors appeared to have been hesitant about filing the suit.

There is speculation that the U.S. car makers had talks with the U.S. Administration regarding tariffs on minivans and Japan's voluntary export restraint, they added.

They said there also has been speculation that the U.S. auto industry adopted the antidumping posture to raise prices in the American market while checking the market share of imported cars.

A top ministry official said, "If Japanese automakers set about price hikes from now on for fear of complaints about dumping, the U.S. objective may be attained."

Toyota Chief Welcomes Decision

*OW1002124093 Tokyo KYODO in English 1050 GMT
10 Feb 93*

[Text] Nagoya, Feb. 10 KYODO—The president of Toyota Motor Corp. welcomed the U.S. "Big Three" automakers' decision against filing a complaint charging foreign carmakers with dumping cars in the United States.

"The Big Three appear to have finally acted on their wisdom," Tatsuro Toyoda said at a press conference to announce the company's half-year earnings results.

Toyoda reiterated his opposition to a U.S. move to raise tariffs on imported minivans by applying the tariff rate on trucks to foreign-made minivans, mostly made in Japan.

"The tariff rate is unreasonably high. Both the Japanese and British Governments strongly oppose it, and I expect a good result," he said.

Tokyo To Seek U.S. Support on Islands Issue

*OW1002050593 Tokyo KYODO in English 0449 GMT
10 Feb 93*

[Text] Tokyo, Feb. 10 KYODO—Japan will seek U.S. support for its position on a territorial dispute with Russia during Foreign Minister Michio Watanabe's visit to Washington this week, the top government spokesman said Wednesday.

Watanabe will explain Japan's relations with Russia, and seek the "understanding" of the administration of President Bill Clinton, Chief Cabinet Secretary Yohei Kono told a news conference.

Watanabe, who will visit the United States from February 11 to 14, will be the first high-level Japanese

official to meet Secretary of State Warren Christopher and other officials of the Clinton administration.

The dispute centers on four islands off the northern main Japanese island of Hokkaido that were seized by troops of the former Soviet Union at the end of World War II. Tokyo says the issue must be resolved before it can extend full-fledged economic assistance to Moscow.

Bilateral relations have been strained since President Boris Yeltsin abruptly canceled a planned visit to Japan last fall over the territorial disagreement.

Kono drew a distinction between bilateral relations and a possible invitation to Yeltsin to meet with leaders of seven major industrialized nations when they gather in Tokyo this July for an annual economic summit.

Watanabe, speaking to reporters separately, said he will discuss in the U.S. whether to arrange a session with Yeltsin during the summit.

But he said a final decision on whether to include Yeltsin will depend on consultations with all Group of Seven (G-7) nations.

Yeltsin was a special guest at last year's Munich Summit attended by leaders of the United States, Japan, Germany, France, Britain, Italy and Canada.

Miyazawa, Watanabe at Gathering About Islands

*OW0702035393 Tokyo KYODO in English 0327 GMT
7 Feb 93*

[Text] Tokyo, Feb. 7 KYODO—Prime Minister Kiichi Miyazawa and Foreign Minister Michio Watanabe attended a gathering Sunday to call for the reversion of four Russian-held islands off Hokkaido.

Miyazawa and Watanabe spoke to 2,000 participants on the recent situation concerning the four islands—Etorofu, Kunashiri, Shikotan and the Habomai group of islets.

They explained the cancellation of Russian President Boris Yeltsin's visit to Japan last September and about visa-free trips to the islands, which began last year.

Yeltsin abruptly canceled his trip to Japan in mid-September citing domestic problems. But he later implied that Japan's uncompromising stance on the territorial dispute was one reason for his cancellation.

The former Soviet Union seized the four islands from Japan at the end of World War II.

Japan has demanded the return of the islands as a prerequisite for full-scale economic aid to Russia. The dispute has prevented the conclusion of a bilateral peace treaty.

In 1981, the Japanese Government named February 7 "Northern Territories Day" to commemorate the day

when Japan and Russia signed a treaty on commerce, navigation and borders in 1855.

The treaty stipulated that the four islands belonged to Japan.

Tokyo To Invite Yeltsin To Attend Summit

OW0902233993 Tokyo KYODO in English 2311 GMT 9 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Japan will invite Russian President Boris Yeltsin for talks with leaders of the world's seven major economic powers when they meet in Tokyo for an annual summit, the mass-circulation daily YOMIURI SHIMBUN reported Wednesday.

The YOMIURI said Japanese Foreign Minister Michio Watanabe will inform the United States of the decision when he meets U.S. Secretary of State Warren Christopher in Washington on Friday.

Watanabe is scheduled to leave Tokyo on Thursday for a four-day visit to the United States, marking the first bilateral high-level contact with the administration of President Bill Clinton.

Japanese Government leaders have decided not to link the invitation to Yeltsin with a long-standing territorial dispute over four Russian-occupied islands claimed by Japan, the daily said.

The newspaper said Japanese Government officials are still wary of Yeltsin since he abruptly canceled a scheduled visit to Tokyo last September.

Japan is host to this year's Group of Seven (G-7) summit meeting in Tokyo on July 7 to 9.

Concerted Western assistance to the former Soviet Union has been a key topic at recent G-7 summits. Then Soviet President Mikhail Gorbachev went to London in 1991 and Yeltsin attended the Munich Summit in 1992.

A Foreign Ministry official would not confirm the report, but indicated that Japan is not opposed to having a so-called "G-7 plus one" held in Tokyo.

The official, speaking to reporters on condition of anonymity, said the issue of whether to invite Yeltsin "is something to be decided by the G-7 as a whole and that kind of decision has not yet been made."

The official added that he is "not aware of the Japanese Government being against this at all. It's just a matter of reaching a decision at an appropriate time."

Doctors Allowed To Treat 3d-Nation Peacekeepers

OW0802080193 Tokyo KYODO in English 0731 GMT 8 Feb 93

[Text] Tokyo, Feb. 8 KYODO—Four doctors with Japan's peacekeeping forces in Cambodia will be authorized as early as the end of the week to treat peacekeepers from other nations, government sources said Monday.

The sources said the Japanese cabinet will formally decide Friday to permit Self-Defense Forces doctors to provide medical care in cooperation with peacekeeping missions in other countries.

On Monday, Shunji Yanai, chief of the international peace cooperation headquarters, briefed Prime Minister Kiichi Miyazawa on the proposal.

Last month, government sources indicated that the Defense Agency was considering taking part in United Nations-led peacekeeping operations in Mozambique by sending in election observers, ceasefire monitors, and civilian police.

SDF Unit To Expand Peacekeeping Activities

OW1002012993 Tokyo KYODO in English 0102 GMT 10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Japan's peacekeeping contingent will expand its activities in Cambodia to some areas north of Phnom Penh in addition to areas to the south covered so far, the YOMIURI SHIMBUN reported Wednesday.

The government will adopt a decision on the matter at a cabinet meeting Friday, the mass-circulation daily said.

The extension of the area to be covered by Japan's peacekeepers comes at the request of the United Nations Transitional Authority in Cambodia (UNTAC).

The wide areas to be covered by the Japanese contingent include northern parts of the five provinces of Koh Kong, Kompong Speu, Kandal, Prey Veng and Svay Rieng, but will not include the areas controlled by Khmer Rouge guerrillas, the daily said.

The daily quoted Japanese Government sources as saying the contingent's activities in the new areas will be limited to transportation, civil engineering and water supply, and will not involve the use of force.

Some 600 troops of Japan's Self-Defense Forces have since last autumn been carrying out road and bridge construction and repair work in Cambodia as part of U.N. peacekeeping activities.

Japan will send a second batch of peacekeepers to Cambodia in March to replace the first 600-member group.

LDP's Obuchi Proposes Nov General Election

*OW0702131693 Tokyo KYODO in English 1233 GMT
7 Feb 93*

[Text] Shizuoka, Feb. 7 KYODO—Former Liberal Democratic Party (LDP) Secretary General Keizo Obuchi on Sunday proposed holding a general election for the House of Representatives on November 21.

The leader of the LDP's no. 4 faction, speaking at a lecture session in Mishima, Shizuoka Prefecture, said the cabinet needs to convene an extraordinary session of the Diet this fall to tackle political reform programs and business stimulating measures.

Prime Minister Kiichi Miyazawa's two-year term of office as LDP president expires in September.

Obuchi proposed that the cabinet dissolve the lower house during the extraordinary Diet session for the November general election.

The four-year term of office for incumbent lower house members runs out next February.

Obuchi offered support for Miyazawa's reelection in the LDP presidential race in September, saying the LDP president should not be replaced after only two years.

He said he is not vying for the position.

A political faction called the Keisei-Kai, which was once the biggest in the LDP, split into two groups last year—one led by Obuchi and the other by former Finance Minister Tsutomu Hata.

LDP Member Tells Diet Takeshita Note 'Lost'

*OW0602143493 Tokyo KYODO in English 1402 GMT
6 Feb 93*

[Text] Tokyo, Feb. 6 KYODO—Masaru Urata, a ruling Liberal Democratic Party (LDP) member, notified a Diet committee that he lost a note which former Prime Minister Noboru Takeshita allegedly wrote in connection with the money-mobster Tokyo Sagawa Kyubin scandal.

The House of Representatives budget committee has been asking Urata, a House of Councillors member, to submit the note to analyze the handwriting to see if it was really written by Takeshita.

Urata said the note was signed at a Tokyo restaurant before the 1987 LDP presidential election after Takeshita launched his own faction in revolt against former Prime Minister Kakuei Tanaka.

Several LDP members are said to have asked Takeshita to show honor to Tanaka, who fell ill after Takeshita broke away from the Tanaka faction.

The note reads "I promise you to protect Kakuei Tanaka. Noboru Takeshita."

Takeshita, however, denied in his sworn testimony last November before the committee that he wrote the note.

The ruling and opposition parties decided to ask Urata to submit the note at a committee session January 28.

Parties Reach Accord; Diet Session To Resume

*OW1002122093 Tokyo KYODO in English 1120 GMT
10 Feb 93*

[Excerpt] Tokyo, Feb. 10 KYODO—The ruling and opposition parties decided Wednesday to have former Prime Minister Noboru Takeshita and two other figures testify under oath at the Diet next week over their alleged involvement in a money-and-mobster scandal.

According to the decision at a meeting of the House of Representatives committee, Takeshita and Ichiro Ozawa, former secretary general of the ruling Liberal Democratic Party (LDP), will appear before the panel next Wednesday.

Kiyoshi Sagawa, owner of the Sagawa Kyubin trucking group, will be called before the lower house committee next Thursday.

The decision to summon the three figures to the committee broke the stalemate in negotiations between the ruling and opposition parties over resuming the committee's discussion on the fiscal 1993 draft budget.

The budget committee on Monday and Tuesday will hold overall question-and-answer sessions on the 72.35 trillion yen budget plan for fiscal 1993, which starts April 1, and will hold public hearings on the budget on February 22 and 23.

The Diet has been paralyzed since Monday by a rift between the LDP and the opposition over who should testify before the Diet under oath about the scandal.

Although the LDP agreed Tuesday to have Ozawa and Takeshita testify about the Tokyo Sagawa Kyubin scandal, the opposition urged the LDP Wednesday morning to allow four more persons to testify.

At a morning session of the lower house panel directors, the LDP formally accepted the opposition demand for Takeshita to testify on his alleged role in the scandal, along with Ozawa, and asked the opposition to resume Diet business, Diet sources said.

But three noncommunist opposition parties reportedly remained firm in their demand that Sagawa, Rekiji Kobari, chairman of Fukushima Kotsu Co., Masahisa Haibara, ex-secretary of former LDP heavyweight Shin Kanemaru, and Kanemaru also testify.

The three parties—the Social Democratic Party, Komeito and the Democratic Socialist Party—then left the handling of the matter up to lower house budget committee chairman Shigeru Kasuya, the sources said.

The panel decided to discuss further whether to summon Kobari, Kanemaru and Haibara.

Kasuya came up with compromise plan of adding Sagawa as a third witness and the opposition agreed to resume Diet business. But it is unclear whether Sagawa will appear to testify.

Citing his poor physical condition, last spring and fall Sagawa refused Diet requests for him to testify as an unsworn witness. [passage omitted]

LDP's Obuchi Urges Redenomination of Yen

OW0702084993 Tokyo KYODO in English 0703 GMT 7 Feb 93

[Text] Mishima, Shizuoka Pref., Feb. 7 KYODO—A ruling Liberal Democratic Party (LDP) leader advocated redenominating the yen to stimulate weak domestic demand, which he said is the major reason for the faltering economy.

Former Secretary General Keizo Obuchi, delivering a speech to LDP supporters, said the time is ripe to give serious consideration to the redenomination, as there is no risk of rekindling inflation in a country like Japan.

A redenomination by moving the decimal point to the left will create new demand, for example, in printing and paper industries, he said.

Obuchi, who leads the fourth largest faction in the ruling party, went on to say the government should take additional pump-priming measures centered on the introduction of housing-related tax reductions shortly after the fiscal 1993 national budget passes the Diet.

Tanahashi Urges Banks To Lower Lending Rates

OW0802080493 Tokyo KYODO in English 0734 GMT 8 Feb 93

[Text] Tokyo, Feb. 8 KYODO—In the wake of last week's official discount rate cut, banks and other financial institutions should lower their lending rates "as early as possible" to help corporations recover financially, a top trade ministry official said Monday.

Yuji Tanahashi, vice minister of [the Ministry of] International Trade and Industry (MITI), told a news conference that the cut in the key lending rate is not to help only financial institutions recover profitability. For this reason he said banks and others should lower their lending rate.

After scrutinizing economic data, Tanahashi said he has found no sign that the economy is reaching the bottom.

Touching on trade matters, Tanahashi said he believes that the U.S. move of raising tariffs on imported minivans may break the rules of the General Agreement on Tariffs and Trade (GATT).

"I hope the United States will act more sensibly," he said.

Tanahashi could not say if Japan plans to appeal to GATT on the minivan issue because the U.S. Government has not made a decision.

Agency Reports Economy Remains in 'Slump'

OW1002013393 Tokyo KYODO in English 0059 GMT 10 Feb 93

[Text] Tokyo, Feb. 10 KYODO—Japan's economy is still in its slump, with consumers and corporations continuing to restrict their spending, a government report said Wednesday.

The Economic Planning Agency (EPA) said in its monthly report, which assesses the nation's economic climate based on 13 key indicators, that the economy is still in an adjustment phase—the same diagnosis as in past months. The report was approved by the cabinet Wednesday morning.

An EPA official suggested the economic situation is neither worsening nor improving by saying that the "degree of slump remains unchanged."

He said it is noteworthy, however, that the number of monthly corporate bankruptcies is reaching levels seen in 1986 when the nation's economy was hit hard by a rapid appreciation in the value of the yen against the U.S. dollar.

The report said personal spending, which accounts for roughly 60 percent of the gross national product (GNP), continued sluggish, with department store sales, new auto sales and tourism all showing drops.

Salaried workers' income from overtime also fell considerably, while their year-end bonuses remained almost unchanged from the previous year's levels, the official said, adding, "it is difficult to forecast when consumer spending will recover."

Corporations also continued to be tight with their money. In the EPA's most recent survey of corporate sentiment, the manufacturing sector plans to reduce capital investment in the April-June period by 12.1 percent from a year earlier, while the nonmanufacturing sector is moving to slash capital spending by 5.0 percent.

Production appears sluggish amid inventory-adjustment measures. In the industrial output data for December, inventory levels showed their first drop in two years, the report said.

The employment situation has also shown an easing trend, reflecting the slow production growth, it said. The ratio of job offers to job seekers has remained below 1.0 since last October, when it dropped to 0.96, slipping below 1.0 for the first time in four years and five months.

The only bright data in the report are in the areas of new housing starts and public works investment which is witnessing a strong rise.

The EPA report noted that the government approved on January 22 an economic outlook and basic economic policy for fiscal 1993, which starts April 1. It also said the Bank of Japan cut its discount rate on February 4 by 0.75 percentage point to 2.5 percent per annum.

Tokyo Decides To Submit Regional Economy Bill

*OW1002124993 Tokyo KYODO in English 1155 GMT
10 Feb 93*

[Text] Tokyo, Feb. 10 KYODO—The government decided Wednesday to submit a bill to help reactivate regional economic activities to the current Diet session, officials said.

The officials said the bill is designed to promote support for small enterprises by local commerce and industry organizations. The proposed law allows local chambers of commerce and industry to expand the scope of their activities and map out new projects to stimulate local economies, the officials said.

Tax incentives and soft loans will be provided for various regional projects worked out with the help of local chambers of commerce and industry and endorsed by the Ministry of International Trade and Industry, they said.

The ministry and the small and medium enterprise agency are prepared to endorse four industrial and four commercial projects in the initial stage, the officials said.

These projects include construction of textile and glass art production and training facilities as well as the establishment of collective markets and multipurpose halls, they said.

Labor-Cutting Measures Seen in Wider Areas

*OW0902111793 Tokyo KYODO in English 0906 GMT
9 Feb 93*

[Text] Tokyo, Feb. 9 KYODO—Waves of labor-cutting measures are affecting wider areas of the country now than three months ago as economic gloom deepens, according to a government survey published Tuesday.

The Labor Ministry survey, which was done in January, said labor-cutting measures, including curbs on overtime and compulsory leave, were employed by companies not only in the major metropolitan areas but also smaller cities.

While the previous survey taken in August and September showed labor adjustment was seen mainly in the big cities like Tokyo and Osaka, the latest study added Hokkaido, Tohoku, Chubu and Kyushu to the list of areas where companies feel their labor is excessive.

In the northern regions of Hokkaido and Tohoku, companies, particularly in such business fields as ordinary machinery and electronics, are asking employees to take extra leave or encouraging voluntary retirement.

Dismissals are commonly reported in central Japan, where ceramics and other local industries were forced to slash production in response to sluggish demand.

In Kyushu, southern Japan, labor surplus is felt in such industries as electronics, steel and car makers, while the far south is still short of labor because of booming demand for tourism and shipbuilding.

In an effort to minimize the corporate work force cut and its negative effect on society, the ministry plans to call on companies to more actively utilize government subsidies for employers in carrying out labor reductions.

It also will request companies to ease the requirements they demand from would-be workers when they put want ads at government-run unemployment offices nationwide.

Government Urges Firms Not To Cut Jobs

*OW0902052793 Tokyo KYODO in English 0458 GMT
9 Feb 93*

[Text] Tokyo, Feb. 9 KYODO—The Labor Ministry on Tuesday called for corporate employers to keep as many workers as possible on their payrolls in an unusual move aimed at curbing the painful effects of work force cuts.

Kunihiko Saito, chief of the ministry's employment security bureau, asked a meeting of business executives to refrain from canceling informal employment of new college graduates and recommending that certain employees retire. Both methods are being used by an increasing number of companies to slim their labor forces.

"Labor adjustment by such means will create great worries over employment in the whole of society. We want you to do your utmost to keep workers employed," he told the executives from the nation's major business lobbies, including the Japan Chamber of Commerce and Industry.

Saito specifically cited cancellation of informal employment, usually given to would-be recruits in the summer, as "a grave problem which greatly affects the future of those whose employment is nullified and undermines the social trust in companies."

His requests came after Eastman Kodak (Japan) Ltd. said it would cancel jobs for new recruits, and Pioneer Electronic Corp. said it would go ahead with retirement of designated workers.

Saito proposed that companies make greater use of the ministry's labor adjustment subsidies, intended to be used for companies to cover the cost of requiring employees take leave or work at affiliates.

Akamatsu Changes Nuclear Policy, Urges Plants
*OW0802173693 Tokyo KYODO in English 1325 GMT
8 Feb 93*

[Text] Gifu, Feb. 8 KYODO—Social Democratic Party [of Japan—SDPJ] (SDP) Secretary General Hirotaka Akamatsu made the party's first ever call Monday for the construction of new nuclear power plants. At a lecture meeting in this central Japan city, Akamatsu urged the party to revamp its energy policy in favor of his proposal to endorse construction of new nuclear power plants.

Japan needs to "replace outdated dangerous nuclear plants with new ones," Akamatsu said, marking a conspicuous departure from his party's longtime stand against nuclear energy. However, he made it clear that such approval should be pushed only as a tentative policy stance over a transitional period of "30 years."

Akamatsu said the SDP wants to abolish nuclear power plants and facilities using fossil fuel within 30 years and replace them with ones that rely on the sun's rays and other "clean energy." He said he sought party backing for his proposal so that the SDP can incorporate this new energy policy stance into the party's "1993 declaration." The SDP is drafting the declaration centering on a review of its basic four policies toward the Japan-U.S. Security Treaty, the Self-Defense Forces, energy policy and North and South Korea.

Political analysts said Akamatsu's proposal would stir controversy from antinuclear civic groups and SDP legislators, many of whom oppose the use of nuclear power because of the threat from accidents. Akamatsu noted that building plants that use the sun's rays could be costly and jack up the cost of electricity. He said the SDP will have to reconcile the proposal with the views of the electric utility industry.

Fellow Legislators Criticize Remarks

*OW0902061293 Tokyo KYODO in English 0537 GMT
9 Feb 93*

[Text] Tokyo, Feb. 9 KYODO—Social Democratic Party (SDP) [of Japan] Secretary General Hirotaka Akamatsu came under a barrage of criticism from fellow SDP legislators on Tuesday for calling on the party to take a more receptive stance on nuclear power.

The controversy first surfaced at a meeting of SDP legislators in charge of parliamentary bargaining with the ruling and other opposition parties.

One legislator told the meeting that Akamatsu's remark "amounts to splashing cold water" on the party's anti-nuclear power movements, saying, "our party has led antinuke civic movements at various regions of the country."

Another legislator said Akamatsu's remark "is serious, as it contradicts our party's basic policy stance disapproving of construction of new nuclear power plants."

Akamatsu told a lecture meeting Monday [8 February] at the central Japan city of Gifu the SDP should revamp its antinuclear policy in favor of his proposal to endorse construction of new nuclear power facilities. He said they were needed "to replace dangerous outdated plants."

Tomiichi Murayama, chairman of the SDP's Diet Affairs Committee, told reporters the party is faced with the need to reconcile differences between intraparty opponents and proponents of nuclear power.

The stir followed a similar fray triggered by Akamatsu's remarks in January calling for acceptance of a proposal to replace Japan's total import ban on foreign rice with qualitative tariffs as suggested by the General Agreement on Tariffs and Trade (GATT).

North Korea

Rumors of Kim Il-song Illness Spark Speculation
*OW1002103193 Tokyo KYODO in English 1005 GMT
10 Feb 93*

[Text] Seoul, Feb. 10 KYODO—Rumors that North Korean President Kim Il-song may be seriously ill touched off a wave of speculation among South Korean Government sources Wednesday [10 February].

Some government authorities rejected the rumors, saying that there was "nothing out of the ordinary" in Pyongyang, while other government sources suggested that the health of the 80-year-old North Korean leader had taken a turn for the worse last year.

Russia's ITAR-TASS news agency reported out of Pyongyang last week that Kim was seriously ill, but the KOREAN CENTRAL NEWS AGENCY in Pyongyang reported Tuesday that he had played host to a Spanish Communist Party delegation at lunch.

One source in Seoul Wednesday noted that since last March, Kim has had an attendant wipe his mouth with a napkin during meals since rice has been spilling out of his mouth when he eats, saying this was confirmed that Kim's health was deteriorating.

Another informed source noted Kim's advanced age and said that it is likely that his health is getting worse since some of the nerves in his neck are being compressed by a tumor on his neck.

One North Korea watcher in Seoul said that a Pyongyang specialist from the old Soviet Union said that in late 1989 or early 1990, a team of a dozen or so famous doctors from Moscow were secretly sent to examine Kim and reported then he had 4-5 years left to live.

Further, according to South Korea's YONHAP NEWS AGENCY, Kim became chronically enraged around the time of the normalization of Beijing-Seoul relations last August.

Kim's presidential heir-designate and son Kim Chong-il reportedly secretly invited a doctor from China last October and had the elder Kim hospitalized.

The junior Kim has also decided that any events his father attends will be no longer than an hour and makes him go to bed before 10 P.M. each evening.

It is also reported that Kim Chong-il only informs his father of exceptionally important matters or matters that will cheer up the elder Kim.

The health of Kim Il-song, who has ruled over North Korea since its creation following World War II, will continue to be a concern in Seoul as analysts have suggested that the leader's death could precipitate an upheaval in North Korea.

Seoul's Finance Ministry has reported recently the costs of unification with North Korea, following a collapse of the communist government there, could amount to a burden of 980 billion dollars on the South Korean economy.

Radio Notes U.S. Evangelist Remarks on Ties

*SK1002020293 Pyongyang Korean Central
Broadcasting Network in Korean 1500 GMT 9 Feb 93*

[Text] According to a report, the 41st U.S. national breakfast prayer meeting was held in Washington.

Attending the prayer meeting were President Clinton, the Vice President, members of Congress and the Senate, and foreign delegations.

A religious message and speeches were delivered, and prayers were offered at the meeting.

Evangelist Billy Graham, a religious leader in the United States, said: Has any one of you here delivered a sermon and given a lecture on religion in North Korea? I visited North Korea and delivered a sermon in a church. I also gave a lecture at a college.

I was accorded warm hospitality from President Kim Il-song. I stayed in lodgings arranged by him. We will have relations with this country [urinun inarawa kwangyerul kajil kosida].

The President then delivered a speech.

'Honesty' of Nuclear Policy Proven by Inspections

*SK1002104493 Pyongyang KCNA in English 1011
GMT 10 Feb 93*

[“Nuclear Problem’ Fuss—New Trick for Permanent Occupation of S. Korea”—KCNA headline]

[Text] Pyongyang, February 10 (KCNA)—The United States’ unreasonable pressure on the DPRK over the “nuclear problem” can never be tolerated, declares NODONG SINMUN today.

The paper says in a signed article: Unshakable is the position of our party and the DPRK Government to denuclearize the Korean peninsula and contribute to world peace. This position has proved true through our peace overtures and our sincere efforts to realize them. The validity and honesty of our peaceful nuclear policy have been proved through several irregular inspections by the International Atomic Energy Agency.

The United States together with the South Korean authorities is raising [word indistinct] outcries over “suspicion of nuclear development” by the North and escalating the false propaganda campaign even by setting in motion its satellite states. This clearly shows that the U.S. pursues a sinister aim to cheat public opinion, make the “suspicion” an established fact, isolate the DPRK in the international arena, justify its moves for perpetuating the occupation of South Korea and keeping it as its nuclear base and make it an excuse for another war against the North.

The U.S. imperialists and the South Korean authorities must clearly see the situation, immediately stop the smear campaign over “nuclear problems” which violates the sovereignty of the Korean people, give up the “Team Spirit” nuclear war exercises and pull the U.S. troops and nuclear weapons out of South Korea without delay.

Daily Urges Removal of ‘Danger of Nuclear War’

*SK0902114793 Pyongyang KCNA in English 1031
GMT 9 Feb 93*

[“To Avert Nuclear War on Korean Peninsula—Urgent Demand of Times”—KCNA headline]

[Text] Pyongyang, February 9 (KCNA)—NODONG SINMUN today says that to remove the danger of nuclear war on the Korean peninsula is an urgent demand for world peace and a common, pressing task of the peaceloving people of the world.

The paper notes in an article:

The Korean peninsula is fraught with the greatest danger of nuclear war on the globe, attracting the attention of the world. This is because the United States and the South Korean authorities are planning to stage the “Team Spirit 93” joint maneuvers. The “Team Spirit” poses a grave threat to peace in Asia and the world.

Through the “Team Spirit” the United States seeks to keep South Korea as a forward nuclear base and execute its Asia strategy for its domination of the Asia-Pacific region.

The “Team Spirit 93” is a graphic expression of the U.S. strong-arm politics to force its will on others with strength in violation of the principle of international justice.

The “Team Spirit” is a play with fire of the U.S. to execute its aggressive “local strategy.”

If the U.S. nuclear blackmail were tolerated on the Korean peninsula today, it would hurt the Third World countries and even the allies of the U.S. disobedient to it tomorrow.

The U.S. imperialists' moves for nuclear war on the Korean peninsula are in every inch a great threat to security in Asia and peace in the world.

In order to avert the danger of nuclear war and preserve peace in Korea, it is imperative to stop the "Team Spirit". If the danger of nuclear war on the Korean peninsula is to be removed, all the U.S. nuclear weapons must be withdrawn totally from South Korea. The withdrawal of U.S. nuclear weapons from South Korea and the denuclearization of the Korean peninsula are the basic way of averting the danger of nuclear war in Asia.

The United States must get rid of the outdated mode of thinking of the cold war era, act with discretion in compliance with the demand of the changed situation and the times and immediately give up the "Team Spirit" nuclear war rehearsal.

CPRF Warns U.S., ROK Against Starting 'New War'
SK1002055593 Pyongyang KCNA in English 0503 GMT 10 Feb 93

["The United States Must Not Act Rashly"—KCNA headline]

[Text] Pyongyang, February 10 (KCNA)—The United States must draw a serious lesson from its crushing defeat in Korea 40 years ago and must not run amuck.

The Secretariat of the Committee for the Peaceful Reunification of the Fatherland [CPRF] says this in its information No. 620 on February 9 denouncing the United States and the South Korean bellicose elements for more frantically staging war exercises against the North.

Recalling that the U.S. imperialists have these days staged war exercises in the skies above South Korea simulating their invasion of the North with the mobilisation of the planes based in the extra-large carrier Independence and warplanes of the U.S. Air Force based overseas and in South Korea and the puppet air force, the information says:

It must not be overlooked that the U.S. imperialists, while staging reckless war games, are deliberately aggravating the military tensions by openly staging espionage on the DPRK with the U-2 high-altitude strategic reconnaissance planes and other strategic and tactical reconnaissance planes of various types and reinforcing the U.S. security personnel in the joint security area at Panmunjom.

This is a very ill-boding sign that the U.S. imperialists and the South Korean bellicose elements who have been hell bent on military manoeuvres from the beginning of the year may perfect preparations for an attack on the

North in the deployment stage of the "Team Spirit 93" joint military exercises and go over to a real war under a certain pretext in the practical stage.

In resuming the "Team Spirit", the United States seeks the sinister purpose of stifling the DPRK, the bulwark of socialism with strength, taking advantage of the setback of socialism in various countries, and thus completely destroying the cause of socialism worldwide.

But, it is a foolish intention to try to crush the Korean socialist system, the life and soul of the Korean people, with strength.

If the enemy dare infringe upon our sovereignty and provoke us a little, we will destroy the aggressors at one stroke with the might of the singlehearted unity around the party and the leader.

If they start a new war in defiance of our repeated warnings and the unanimous demand of the people at home and abroad, they will perish in its flames.

KCNA Interviews Recent Defector From South
SK0802115593 Pyongyang KCNA in English 1102 GMT 8 Feb 93

[Text] Pyongyang, February 8 (KCNA)—Chong Tae-su, who defected to the North while working as representative of the Tae-il Construction Co. of South Korea, was interviewed by KCNA [Korean Central News Agency] recently.

He said the workers, farmers, intellectuals and students in the South deeply respected and revered the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il.

He said that when he was in the South, he witnessed a farmer in Andong, North Kyongsang Province, telling all his joys and sorrows to the sculpture of General Kim Il-song he had carved, saying the general was the saviour of his life.

Whenever the construction workers of the South undertake a new project, the common words are vogue whether they should do it in Mr. Kim's mode or in motor mode, Chong said, adding that Mr. Kim meant Mr. Kim Chong-il and Mr. Kim's mode meant the mode of construction carrying their will to invite the dear leader to the buildings of their own making in the South after the reunification of the country.

Chong said he witnessed students revere the dear leader as the leader of the nation when they were staging protests in February 1990.

The students shouted "D.L.C.K." and "North-South reunification" breaking through the police cordon. When he asked a student what the "D.L.C.K." meant, the student told him it was an abridgement of "Dear Leader Comrade Kim Chong-il."

All that he had witnessed in the South made him decide to come over to the North, Chong told KCNA.

He stressed that he would devotedly work for the noble cause of national reunification with fervent loyalty to the great general Kim Il-song and the dear leader Mr. Kim Chong-il.

Daily Calls South Court Decision 'Disgusting'
SK0702101593 Pyongyang KCNA in English 0854
GMT 7 Feb 93

["Descendant of 'Five Traitors of 1905' at Large"—KCNA headline]

[Text] Pyongyang, February 7 (KCNA)—It has been reported that a great grandson of Yi Wan-yong the traitor repeatedly filed suits to the "court" in South Korea to take back tens of millions of pyong of land owned by Yi Wan-yong during Japanese imperialist rule over Korea and that the "court" "judged" six of the suits in his favor. As a result, the great grandson of Yi Wan-yong will take back six billion won worth of land, the report said.

NODONG SINMUN today says it is disgusting for the South Korean "court" to have accepted the suits brought by a descendant of the traitor and recognised his right to land ownership, to say nothing of the descendant of the traitor who is running wild to take back the property of his great grandfather, with his head held up.

The analyst continues:

Yi Wan-yong was the ringleader of the "five traitors of 1905" who sold the country to Japanese imperialism. He was a pro-Japanese traitor without precedent who left a disgraceful mark in the history of the nation. Even if all his property was confiscated after the defeat of Japanese imperialism and his descendants of three generations had all been killed and torn to pieces, it would not be enough to settle the bitter grudge of our nation against the traitor.

The moves of the descendants of the traitor Yi Wan-yong to take back his property are unthinkable apart from the flunkeyist and treacherous nature of the South Korean ruling quarters.

Such heinous pro-U.S., pro-Japanese flunkeyist traitors as Syngman Rhee, Pak Chong-hui, Chun Tu-hwan and No Tae-u took office in South Korea and engaged themselves in flunkeyist and treacherous acts outdistancing the "five traitors of 1905."

The bosses of the "Democratic Liberal Party" overtly stated that the "political basis" of the South Korean "government" would be pro-U.S. and pro-Japanese. In view of this, it is foreseen that pro-U.S., pro-Japanese flunkeyist and treacherous phenomena will get more and more serious in South Korea.

If the South Korean people are to liquidate the leftovers of Japanese imperialism, the descendants of traitors who run amuck, they must overthrow the traitorous "government" and drive the pro-U.S., pro-Japanese traitors out of power.

Daily: 'Civilian Politics' in South Not Possible
SK0602132593 Pyongyang KCNA in English 1125
GMT 6 Feb 93

["There Can Be No Civilian Politics in Colonial Fascist Society"—KCNA headline]

[Text] Pyongyang, February 6 (KCNA)—A new advertisement about "civilian politics" is now rife in South Korea misleading public opinion.

This advertisement made by the military fascist group of the "Democratic Liberal Party [DLP]" is no more than a deceptive trick conceived by the forsaken "DLP government" to improve its image which was defamed by the preceding anti-popular, anti-democratic dictatorial rule and to soothe the people's discontent and antipathy, NODONG SINMUN in a signed article today says, and goes on:

When the "president-elect" of South Korea advertised "civilian politics" and "change", Voice of America said that from the viewpoint of his election from a ruling party ticket he would not bring about a radical policy change which would keep him away from strong military forces.

In the light of the political foundation of the South Korean "president-elect" one cannot but doubt its advertisement about "civilian politics".

The "DLP" which professes "civilian politics", is a dictatorial political party which has become notorious as a standard-bearer of fascism.

Even at this moment when the "DLP" fascist group is giving lip service to a certain "change" by the "civilian administration," there is no sign of any move to give up the big stick politics.

However loudly the South Korean "president-elect" advertises "civilian politics" on the fascist dictatorial foundation, no one believes it and expects any "change".

If the "president-elect" has a real intention to administer the civilian politics which is welcomed by the people, he should liquidate the military fascist dictatorial system which is rejected by the people.

He should, first of all, break off relations with the military fascist group, a pivotal force of the "Sixth Republic", and root out its corrupt politics.

If the new "government" of the "DLP" wants to bring about a change in politics, it should not allow U.S.

domination and intervention, get rid of the old habit of depending on the outside forces and take the stand of national independence.

Attitude towards the colonial military fascist dictatorship in South Korea is a touchstone showing whether it has a real intention to set up civilian government and administer civilian politics or not.

Meeting Marks 45th Anniversary of South Movement

SK0702085393 Pyongyang KCNA in English 0828 GMT 7 Feb 93

[Text] Pyongyang, February 7 (KCNA)—A Pyongyang meeting was held Saturday to mark the 45th anniversary of the February 7 National Salvation Struggle of the South Korean people.

The February 7 National Salvation Struggle in 1948 was an anti-U.S. struggle waged by millions of South Korean people for nearly three months when the U.S. imperialists introduced the "U.N. temporary commission on Korea" into South Korea.

Paek Nam-chun, director of the secretariat of the Committee for the Peaceful Reunification of the Fatherland, in his report said the February 7 National Salvation Struggle fully demonstrated at home and abroad their indomitable will by their action to build a reunified sovereign state independently without foreign interference.

"This struggle clearly showed that if they were to achieve their desire for national sovereignty, democracy and the reunification of the country the South Korean people should not harbour any illusion about U.S. imperialism but fight it out till they drove out the U.S. imperialist aggression forces and terminated their colonial rule and that the popular masses of broad segments should fight in firm unity," he noted.

Unable to maintain its colonial rule any longer in face of the persistent anti-U.S., anti-fascist struggle of the South Korean students and people, the reporter said, the United States is more craftily prolonging the "Democratic Liberal Party's regime" under the signboard of "civilian government." "This clearly shows that they are going to keep hold on South Korea indefinitely as a colony and military base for aggression", he added.

"In publishing the plan for the "Team Spirit 93" joint military exercises and resuming the reckless war game the United States and the South Korean military fascist clique seek a sinister aim to stifle the DPRK, the bastion of socialism, with strength and totally obliterate the socialist cause worldwide", he said, and went on:

"The Japanese reactionaries cannot be justified in trying to conceal their nuclear arming and throwing a chill over the implementation of the North-South agreement, raising a hue and cry over the fictitious "suspicion of nuclear development" against the North in league with the U.S. imperialists and the South Korean puppets."

He demanded that the United States should withdraw from South Korea taking along all its nuclear weapons and occupation forces and that the South Korean authorities should renounce the U.S.-toeing policy, revoke the plan for the anti-peace, anti-reunification "Team Spirit 93" joint military exercises in accordance with the spirit of the North-South agreement and approach the North-South dialogue with a sincere attitude and stance.

SKNDF Says South Government 'Mockery' of People

SK0602101793 Pyongyang KCNA in English 1007 GMT 6 Feb 93

[Text] Pyongyang, February 6 (KCNA)—A spokesman for the South Korean National Democratic Front [SKNDF] (Hanminjon) released a statement on February 1 denouncing the South Korean "president-elect" for advertising a "civilian government", reported Seoul-based radio Voice of National Salvation.

The radio said:

Kim Yong-sam is talking about a "civilian government" without declaration on his breaking with the "Sixth Republic" military dictatorship. This is an unpardonable insult to and mockery of the people calling for the establishment of a genuine democratic government.

The touchstone distinguishing a civilian government and the continuity of the military dictatorship is to determinedly break with the "Sixth Republic" of the military fascist forces and fully liquidate its irregularities.

If the next "regime" is to show the appearance of a civilian government, it must part from the dictatorship of the "Democratic Liberal Party".

For the investigation into and liquidation of the "Sixth Republic's" irregularities, it is necessary to open a public hearing for the "Sixth Republic" and bring No Tae-u, the chief criminal, and all other offenders before the people and sternly punish them.

If the next "regime" intend to fool the people, ignoring the demand and will of the people for democracy and crying for deceptive "democratization" as No Tae-u did, it would pay dearly as the enemy of democracy.

Hanminjon will resolutely struggle with all the people to do away with the irregularities of the "Sixth Republic", declared the statement.

Koreans in Europe Finalize 'Action Program'

SK0602085793 Pyongyang KCNA in English 2253 GMT 5 Feb 93

[Text] Pyongyang, February 5 (KCNA)—The European headquarters of the Union of Overseas South Koreans for Democracy, Nation and Unification (Hanminnyon) held its 16th regular meeting in Berlin on January 22 and finalized its action program for this year, according to MINJOK SIBO, a newspaper of Koreans under the influence of the "ROK residents association in Japan."

Included in the action program are the legalization of Hanminnyon, guarantee of free travels to the homeland for all compatriots overseas and support to the reunification activities of the National Alliance for the country's reunification.

The meeting decided to present to the competent [as received] international body in Geneva the case of the murder of a woman which took place at a base of the U.S. imperialist aggression forces in South Korea so as to build up public opinion.

Overseas Korean Leader Urges End to Team Spirit

SK0802120593 Pyongyang KCNA in English 1030 GMT 8 Feb 93

[Text] Pyongyang, February 8 (KCNA)—Om Chang-pom, director of the standing council of the Federation of Korean Traders and Industrialists in Japan, on February 4 issued a statement to the press denouncing the moves of the U.S. and South Korean authorities to resume the "Team Spirit" joint military exercises.

It is not the United States but our three thousand-ri land and the Korean nation that will suffer irrevocable disasters when a nuclear bomb is exploded intentionally or it goes off by accident during the "Team Spirit" of the U.S. and the South Korean authorities, he said. He strongly demanded that the United States withdraw the nuclear weapons from South Korea and stop at once moves for the reckless nuclear war exercises.

The South Korean authorities should not follow the outside forces but take a position of national independence and cancel their decision to resume the "Team Spirit" joint military exercises and sincerely accede to the implementation of the North-South agreement and the joint declaration on denuclearization.

Anniversary of 3-Revolution Team Movement Marked

SK1002022293 Pyongyang KCNA in English 2242 GMT 9 Feb 93

[Text] Pyongyang, February 9 (KCNA)—A national meeting was held here today to mark the 20th anniversary of the start of the three-revolution team movement.

20 years ago, in February, 1973, the great leader President Kim Il-song initiated the movement, a new revolutionary method of guidance to push ahead with the three revolutions, ideological, technical and cultural, by combining politico-ideological guidance with scientific-technological guidance, the superior helping the inferior, and by mobilizing the working masses, and personally sent three-revolution teams to different branches of the national economy.

The dear leader Comrade Kim Chong-il has further developed in depth and consummated in an integral way the chuche-based revolutionary theory on the three-revolution team movement in compliance with the

requirements of the developing reality and wisely led the movement to bring its vitality into fuller play.

Present at the meeting were Yi Chong-ok, Politburo member of the Central Committee of the Workers' Party of Korea [WPK] and vice-president; Kye Ung-tae and Chon Pyong-ho, Politburo members and secretaries of the C.C. [Central Committee], WPK; and other senior officials of the party and the government.

Yun Ki-pok, secretary of the C.C., WPK, in his report said that the past 20 years of development of the three-revolution team movement since its initiation has been a proud course in which the unique idea and theory and distinguished leadership of the great leader President Kim Il-song and the dear leader Comrade Kim Chong-il who founded the new modern revolutionary method of guidance and have led it along the road of victory have been successfully applied to register big successes in all domains of socialist construction.

The vitality of the movement has been fully proved through the past two decades of practice, he said, went on:

First of all, the three revolutions, ideological, technical and cultural, have developed in depth and great changes have taken place in the work of human remoulding and in economic and cultural construction.

The driving force of our revolution has been further strengthened and the modelling of whole society on one ideology been pressed forward by the strenuous activities of the three-revolution teams to carry through the party's policy of waging the ideological revolution.

The three-revolution teams encouragingly supported new initiatives of the producer masses, scientists and technicians and strengthened creative cooperation with them, thereby kindling fiercer flames of mass technical innovations in all branches and units of the national economy.

Over the past 20 years they have made hundreds of thousands of scientific inventions, contrivances and technical innovation proposals, and a large number of young doctors, inventors and labour heroes have emerged from among them.

As a result of the vigorous promotion of the three-revolution team movement, a decisive turn has been effected in the fulfilment of the three major tasks of the technical revolution and a leaping progress made in the implementation of the line of the chuche-orientation, modernization and scientification of the national economy.

The fulfilment of tasks of the cultural revolution has been promoted actively under the guidance and with the help of the three-revolution teams, with the result that the task of upgrading the general cultural level of working people to above that of senior middle school graduates has been carried out successfully and the

efforts to improve the level of working people's technical knowledge has been made more briskly.

A great progress has been made through the movement in constantly improving and strengthening economic guidance and management to meet the demand of the Taean work system.

A large number of intellectuals of the younger generation have grown up to be dependable revolutionary vanguards intensely loyal to the party and the leader, and standard-bearers of struggle in the course of the worthwhile struggle to carry out the tasks of the ideological, technical and cultural revolutions. This is another precious fruition of our party's three-revolution team movement policy.

In the heat of the worthwhile struggle to carry out the three revolutions and of revolutionary organizational life young intellectuals who graduated from universities have grown up to be ardent *chuche*-type revolutionaries, assimilated to the working class, and many of the three-revolution team members to be officials loyal to the party and the leader and young heroes.

The reporter stressed the need to adhere to the *chuche*-based revolutionary line and continue to push ahead with the three revolutions and the three-revolution team movement so as to defend and further exalt the Korean-style socialism centred on the masses.

Daily Outlines Three Principles for Reunification

SK0902114893 Pyongyang KCNA in English 1039 GMT 9 Feb 93

["Three Principles of National Reunification Is Programme Common to Nation, Declares NODONG SINMUN"—KCNA headline]

[Text] Pyongyang, February 9 (KCNA)—The three principles of independence, peaceful reunification and great national unity are a great charter of reunification and a reunification programme common to the nation which indicates the fundamental stand, basic way and fundamental conditions for solving the reunification question of the country by strictly applying the idea of national independence for reunification, says NODONG SINMUN in an article today.

The author of the article notes:

The three principles of national reunification have become the most valid programme of national reunification which is jointly confirmed by the whole nation and recognized by the world for its full representation of the idea of reunification on the basis of national independence.

The core of the three principles of national reunification is the principle of independence. It is the fundamental principle of national reunification which stems from the essence and nature of the reunification question of Korea.

Korean reunification must be one for the independence of the nation and this can be realized only when the Korean nation becomes the motive force, not allowing domination and intervention of any outside force.

The principle of peaceful reunification is also a principle of national reunification which represents the reunification idea of national independence.

There is no ground for our nation to fight each other in reunifying the divided country.

The principle of peaceful reunification stipulating that the North and the South should solve the reunification question by means of peace, by means of dialogue and negotiation, not resorting to arms against the other side, is a justifiable principle of national reunification which indicates the basic way of reunifying the country in conformity with the desire and interests of the Korean nation. It is thoroughly run through with the idea of reunification based on national independence.

The principle of great national unity is also one of the important principles embodying the idea of reunification based on national independence.

Great national unity is a main prerequisite to the independent and peaceful reunification of the country and its essential content.

The principle of great national unity is a just and realistic principle of national reunification which indicates a way of achieving national reunification by the efforts of the nation itself by promoting the great unity of the whole people, irrespective of differences in idea, ideology and system, under the actual conditions of the North and the South where there exist different ideas and systems.

The reunification of Korea must be achieved on the three principles—*independence*, *peaceful reunification* and *great national unity*—under any circumstances.

KPA Vice Marshal Lauds Kim Chong-il Leadership

SK0702015593 Pyongyang Korean Central Broadcasting Network in Korean 1105 GMT 5 Feb 93

[Speech by Kim Kwang-chin, vice marshal of Korean People's Army, at report meeting to mark the 30th anniversary of Kim Il-song's presentation of slogan, "One-a-match-for-100," held at 8 February Hall of Culture in Pyongyang on 5 February]

[Text] Comrades, today all people across the country and officers and men of the Korean People's Army [KPA] are vigorously accelerating the majestic march to further glorify the superiority and vitality of socialism of our own style with single-hearted unity with the party and the leader and to accomplish brilliantly the cause of national reunification and the *chuche* revolutionary cause. Under these exciting circumstances, we are commemorating the significant day of the 30th anniversary

of the revolutionary slogan "One-a-match-for-100" put forward by the great leader Comrade Kim Il-song to the People's Army.

In early February 1963, 30 years ago, the great leader Comrade Kim Il-song, the genius for military strategy and ever-victorious iron-willed commander, put forward the revolutionary slogan "One-a-match-for-100" to our People's Army based on his scientific insight into the new demands of the prevailing situation and of the building of revolutionary armed forces.

The great leader Comrade Kim Il-song's putting forward the revolutionary slogan "One-a-match-for-100" to the People's Army was a great historic event leading to a basic turning point in strengthening the might of our revolutionary armed forces in every way and in providing a reliable military guarantee for the chuche revolutionary cause. [applause]

The 30-year history of army building since the great leader Comrade Kim Il-song put forward the slogan "One-a-match-for-100" is a glorious period during which the justness and indomitable vitality of this slogan have been fully demonstrated. This history proved that the slogan "One-a-match-for-100" is a militant banner that our People's Army should always uphold highly throughout the entire period of army building.

Under the wise leadership of the great leader and respected comrade supreme commander, our People's Army traveled along the road of proud struggle by upholding the revolutionary banner "One-a-match-for-100" for the past 30 years. [applause]

Through practical experience, our people and soldiers of the People's Army came to believe absolutely that the leadership of the great leader and our party is ever-victorious and indomitable. We all rose unanimously in the struggle to perform new miracles and innovations on all fronts of economic construction and defense building with a rifle in one hand and a sickle and hammer in the other.

At this very moment, on 6 February 1963, the great leader and respected Supreme Commander Comrade Kim Chong-il personally visited a guard post in Mt. Taedok with a profound idea for strengthening the revolutionary armed forces. Defying the severe cold, the respected leader paid a long visit to an outpost at the foremost front and toured a ward for the sick, a dining room, a training site, and an encampment. He acquainted himself with the status of each unit's combat preparedness and put forward the militant slogan "One-a-match-for-100" to our People's Army.

The great leader Comrade Kim Il-song has taught: Since long ago, the general who fought well was called "one-a-match-for-100." This means that one person can deal with 100 others.

The slogan "one-a-match-for-100" put forward by the great leader is a most revolutionary idea for army

building which enables every soldier to deal with 100 by firmly preparing him politically, ideologically, militarily and technologically.

The respected Supreme Commander Comrade Kim Chong-il, who visited an outpost at the foremost front-line that day along with the great leader, noted that the leader's teaching for fostering soldiers to be one-a-match-for-100 contains a lofty demand that soldiers should become excellent fighters capable of dealing with 100 both in defensive and offensive combat. He even elucidated concrete measures for the teaching.

The slogan "One-a-match-for-100" put forward by the great leader is unique. It was advanced for the first time in history of the working class's army building. This is a great slogan which correctly reflected the original nature and missions of the revolutionary armed forces, as well as legality of army building. [applause]

The slogan, "one-a-match-for-100," put forward by the great leader is a just slogan that enables us to excellently carry out both the defense of the socialist fatherland and economic construction with our own strength by qualitatively strengthening the People's Army in compliance with the concrete situation of our country.

The slogan, "one-a-match-for-100," put forward by the great leader is a militant slogan reflecting the glorious tradition of our revolutionary Armed Forces and the revolutionary will of soldiers of the People's Army.

"One-a-match-for-100" is a glorious tradition of our revolutionary Armed Forces. The slogan demonstrates the heroic spirit of soldiers of the People's Army.

During the wars on two occasions to crush the Japanese imperialists and the U.S. imperialists, the anti-Japanese fighters and heroic fighters of the 1950's fought as one-a-match-for-100 under the wise leadership of the great leader by cherishing ardent loyalty to the respected general and indomitable faith to smash the enemy defying their lives even amid severe trials and difficulties. Thus, they won every victory by crushing the enemies' superiority in manpower and military technology.

By reflecting the principle of the chuche idea, the concrete situation in our country, the tradition of heroic struggle of the People's Army and revolutionary aspirations of soldiers of the People's Army, the great leader put forward a revolutionary slogan, "one-a-match-for-100," which the People's Army should adhere to forever.

Therefore, the revolutionary slogan, "one-a-match-for-100," greatly impressed soldiers of our People's Army as soon as it was put forward, and became a militant banner which inspired them to heroic struggle and exploits.

Under the wise leadership of the great leader and respected comrade supreme commander, our People's Army excellently fulfilled its lofty missions and duties

assigned by the party, the leader, the fatherland, and the people, for the past 30 years by upholding the slogan, "one-a-match-for-100."

The respected comrade supreme commander defined loyalty to the party and the leader as life of the People's Army from the first time of leading our revolutionary Armed Forces and saw to it that education on loyalty be constantly deepened among the soldiers.

In particular, the respected comrade supreme commander put forward the slogan of loyalty, "Let us fight by dedicating our lives for the great leader!" before the People's Army in compliance with the new demand in the development of the Armed Forces. He warmly led the party's political work intended to make officers and men of the entire Army cherish this slogan as their faith and will. Thus, he made the entire Army overflow with passionate loyalty to the party and the leader.

Thanks to the wise leadership of the respected comrade supreme commander, our People's Army firmly defended the revolutionary character as the Army of the leader and of the party without wavering even amid arduous trials of the revolution. Thus, our People's Army tenaciously defended and protected its party and leader. [applause]

Today the leadership system of the respected supreme commander Comrade Kim Chong-il has been firmly established within our People's Army, and the entire Army is firmly and single-heartedly rallied behind comrade supreme commander.

All officers and men, ranging from old fighters of the anti-Japanese struggle and heroic fighters of the 1950's to young soldiers of the new generations, are firmly resolved to fight by dedicating their whole lives for the great leader and respected comrade supreme commander. It is the very lofty ideological and political outlook of our People's Army to go through even fire and water without hesitation in order to fulfill the order of the respected comrade supreme commander. [applause]

Because there was our People's Army which always absolutely trusted and followed only its party and leader under any upheaval and which defended the party and the leader as a shield even defying their lives, our revolution has been able to advance along the single road of victory without experiencing even a single occasion of frustration while breaking through more arduous trials and difficulties than any others. Moreover, under today's grave situation in which the antisocialist and anti-Republic maneuvers of the imperialists and reactionaries have reached an extreme point, our party remains firm and strong and socialism of our own style is in excellent condition [konjon hada] without wavering.

This clearly proves the greatness of outstanding military ideas and leadership of the great leader who put forward the revolutionary slogan, "one-a-match-for-100," before the People's Army, and of the respected comrade

supreme commander who gave a decisive significance to the political and ideological strengthening of our People's Army. [applause]

Under the militant banner of one-a-match-for-100, the People's Army has been fostered into a strong, unrivaled Army possessed of lofty military and technological might for the past 30 years, thus reliably ensuring the church-based socialist cause.

By keenly realizing its lofty missions not only of the defender of the socialist fatherland but also of creators of the people's happiness, our People's Army is proudly demonstrating the spirit of one-a-match-for-100 in socialist construction.

Indeed, the People's Army effected a great advance in the course of its own development during the past 30 years under the revolutionary slogan, "one-a-match-for-100," and made lofty achievements that will shine forever in history of the party, the revolution, the fatherland and the people. This is entirely attributed to the wise leadership of the great leader and respected comrade supreme commander. This is a brilliant fruition brought about by the justness and vitality of the revolutionary slogan, "one-a-match-for-100," which was expounded by the leader and comrade supreme commander. [applause]

Therefore, taking this significant occasion, I respectfully extend the greatest honor and deepest thanks, together with the sense of unanimous loyalty of us all, to the great leader Generalissimo Kim Il-song, who is always leading the People's Army along the road of victory and honor, and to the respected supreme commander Comrade Kim Chong-il, who is the outstanding military genius and ever-victorious iron-willed sagacious commander. [applause]

All functionaries, party members and soldiers should constantly strengthen and develop our People's Army into a church-based revolutionary Armed Forces by upholding the revolutionary slogan, "one-a-match-for-100," whose justness and vitality were fully proved through practice.

We should, above all, more firmly establish the leadership system of the respected comrade supreme commander within the whole Army, and should consolidate the single-hearted unity of the entire Army with comrade supreme commander as the center.

The leadership of the respected comrade supreme commander is the life of the People's Army and a decisive guarantee for all victories. All officers and men should assume loyalty to the respected comrade supreme commander as faith, conscience, morality and a principle of life. They should uphold the respected supreme commander Comrade Kim Chong-il under any trial and storm without wavering even slightly and should render loyalty to him to the end.

By following and learning from the revolutionary spirit of the first and second generations of the revolution who upheld the great leader as the center of unity and defended him with their lives, we should firmly inherit the tradition of loyalty.

All functionaries and soldiers should follow the example of the anti-Japanese martyrs, who fought by dedicating their youth and lives for the great general in the bloody anti-Japanese battlefields, and of the heroic fighters in the 1950's, and should defend the respected comrade supreme commander with their lives. Thus, we must tenaciously prepare the whole Army into a revolutionary Army that shares its destiny with comrade supreme commander forever.

Functionaries and soldiers should assume a thoroughgoing position and outlook that the honor of revolutionary fighters lies in fulfilling the orders of the respected comrade supreme commander to the end. They should uphold the orders and directives of comrade supreme commander as the demand of their lives and as a boundless honor, and should unconditionally fulfill them to the end without a slightest degree of deviation under any difficult condition or circumstance.

By doing so, we should further strengthen our People's Army into the Army of the respected comrade supreme commander both nominally and virtually.

All functionaries and soldiers should defend the skies, lands, and seas of the fatherland from the constant provocation maneuvers of the enemies. We should dedicate our bodies and hearts to further consolidating and developing socialism of our own style, which is the life of our people.

Although the enemies' challenge is becoming more vicious and the revolutionary missions facing us are heavy and enormous, there is no force in the world which can match the might of our People's Army. Our People's Army is advancing by following the great guidance of the respected supreme commander Comrade Kim Chong-il, who is an outstanding military strategist and an ever-victorious, iron-willed, sagacious commander, and by upholding the revolutionary slogan, "one-a-match-for-100." Thus, we will always be ever-victorious.

Let us all more vigorously fight for national reunification and for the final accomplishment of the chuche revolutionary cause with single-hearted unity. [applause]

Youth Brigade Achieves Construction Innovations
SK0602085093 Pyongyang KCNA in English 0426
GMT 6 Feb 93

[Text] Pyongyang, February 5 (KCNA)—Members of the Speed Campaign Youth Shock Brigade are effecting a collective innovation at construction sites to greet the 8th Congress of the League of Socialist Working Youth of Korea [LSWYK] with brilliant achievements.

At present, they are devoting all their wisdom to the work to complete earlier than schedule scores of construction projects including the second-phase construction of the Tongil Street and the East Pyongyang thermal power station, and the vinyl chloride factory and the fertilizer factory of the Sunchon Vinalon Complex.

The Speed Campaign Youth Shock Brigade, mainly engaged in the construction of major objects, is a standing youth shock brigade of the country.

Founded in May 1975, it embraces now tens of thousands of young people selected from different parts of the country.

In the past it has built more than 160 monumental edifices in different places of the country including the International Friendship Exhibition, Changgwang Street, the Steel Works No. 8.

In the early 1980s alone scores of projects were completed, including the Hamhung Movilon Factory, Pyongyang Department Store No. 1 and the Changgwang Health Complex.

Among them is also the dressing plant No. 3 of the Komdok Mining Complex with a capacity of 10 million tons which was completed in November 1982.

The shock-brigade members who participated in the construction of the dressing plant No. 3 completed in a matter of one year the project which would have taken three years by actively introducing new technologies.

Associated with the feats of the speed campaign youth shock brigade are the electrification of railways (1,687.5 km) and the new railways laid across the country (541.5 km).

They switched over to electric traction the railways between Pyongyang and Madong (52 km) in only two months and completed projects in many sections including the Chongjin-Musan section (117 km) in a short period.

And in a little more than five years they opened to traffic the 252 km northern railways by digging one hundred and scores of tunnels and setting up railway bridges and hundreds of structures on rough mountainous areas.

24 labour heroes of the DPRK, 231 "Kim Il-song youth honour prize" winners and 44,233 recipients of state decorations have been produced by the youth shock brigade in the heat of erecting monumental edifices of the Workers' Party era.

And a large number of young people had the honour of being admitted to the Workers' Party of Korea.

KCNA Reports Unjon County's Farming Progress*SK1002020393 Pyongyang KCNA in English 2206 GMT 9 Feb 93*

[Text] Pyongyang, February 9 (KCNA)—Preparations for the year's farming are going on briskly in Unjon County.

Home-made compost had been carried out to 86 percent of the cultivated area in the county by the end of January.

Vinyl sheets, straw fences and covers for cold beds and other farming materials have been fully prepared reservoirs are filled with water and sufficient chemical fertilizers have been secured.

Unjon County situated on the west coastal plain in North Pyongan Province, northwestern part of Korea, holds an important position in the agriculture of the nation.

It has a plain stretching 40 kilometres and paddy fields occupy 72 percent of the arable land.

The county which went short of water for farming before the liberation of the country has directed big efforts to nature-remaking projects with stress on irrigation.

In the county there are Unjon, Taesong and other big reservoirs, nearly two hundred pumping stations including the first-stage and second-stage pumping stations which draw water from the river Taeryong, waterways extending more than 430 kilometres and many irrigation structures.

Dams and breakwaters have been built and shelter belts created along the banks of Kami, Taesong, Hwangma and other rivers and along the seaside to prevent flood and sea water damages.

The county is fully equipped with tractors, trucks, rice-planting and rice seedling-plucking machines and other modern farm machines and tools to do most of farming with the help of machines. The agricultural production has been on the increase. Last year 1,663 more kilograms of rice and 1,598 more kilograms of maize were gathered from each hectare than in the previous year.

South Korea**Paper: IAEA To Ask DPRK To Accept Inspections***SK1002001193 Seoul YONHAP in English 2349 GMT 9 Feb 93*

[Text] Tokyo, Feb. 10 (YONHAP)—The International Atomic Energy Agency (IAEA) has decided to ask North Korea to accept a special inspection of nuclear processing and storage facilities in an area near Yongbyon, north of Pyongyang, the ASAHI SHIMBUN reported Wednesday.

In a dispatch from Vienna, the mass-circulation daily quoted an IAEA spokesman as saying that an IAEA team asked North Korea for permission to inspect the area when it visited the country earlier but North Korea rejected the request, claiming that they were military facilities.

As a result, the IAEA has decided to conduct a special inspection. Under IAEA regulations, the United Nations specialized agency is empowered to carry out a special inspection of unreported nuclear facilities only if the host country agrees to it. The IAEA has never conducted a special inspection anywhere before.

The newspaper said the United Nations Security Council may be called upon to discuss the issue since the IAEA has no power to compel any nation to open its nuclear facilities for a special inspection.

ROK To Support IAEA on DPRK Inspection*SK1002090293 Seoul YONHAP in English 0850 GMT 10 Jan 93*

[Text] Seoul, Feb. 10 (YONHAP)—South Korea concluded on Wednesday that North Korea needs to allow the International Atomic Energy Agency (IAEA) to conduct a special inspection and decided to support the IAEA in getting the access it seeks.

Officials from the Foreign, Defense, Unification, and Science and Technology Ministries, the Agency for National Security Planning, and the presidential secretariat held a hastily-arranged morning meeting to discuss imminent moves by the IAEA to call a special board of governors' meeting to deal specifically with North Korea's nuclear problem.

"Problems have emerged in implementing North Korea's safeguards accord with the IAEA, and (IAEA) Director-General Hans Blix is in negotiations with key governor nations on the problem," a Foreign Ministry official said.

The official strongly suggested the possibility of a special board of governors session before the regular session, slated for Feb. 22-26, saying a special session and special inspection "are well within the possible range of action by the IAEA." The special session may be called since the regular board meeting is restricted in time and has a set agenda to deal with, the official explained.

"The current problems are strictly between North Korea and the IAEA," the ministry official said. "But our position is that Pyongyang is responsible for abiding fully by the safeguards accord."

The meeting noted North Korea's non-compliance with the IAEA and decided to actively support whatever action the IAEA decided to take, he said.

A sixth IAEA inspection team just concluded a two-week visit to the Yongbyon facilities in North Korea, but was denied access to two highly suspicious sites believed to

be storage installations for nuclear materials. An IAEA special inspection, which has never been conducted, requires approval of the involved party. To demand a special inspection, the IAEA director-general asks the suspect party for an explanation. He opens negotiations with the suspect party on details of a special inspection if the explanation is not enough to allay doubts.

The director-general can take the issue to the board of governors to demand a special inspection if the suspect country refuse to cooperate.

NUB Urges More DPRK Trade To Counter Japan

SK1002115293 Seoul YONHAP in English 0833 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—A host of giant Japanese firms have their hands in trade with North Korea and major Japanese manufacturers are all set for direct investment in the communist country, so South Korea should get active before it is too late, National Unification Board (NUB) officials said Wednesday.

Most of Japan's post-war compensation to North Korea of between 4 billion and 10 billion U.S. dollars, being discussed in the Tokyo-Pyongyang negotiations on normalizing diplomatic ties, is expected to be in the form of machinery, facility and plant.

The officials observed that this would make North Korea heavily dependent on Japan economically.

The NUB has been analyzing materials on North Korea-Japan trade relations from the Japan External Trade Organization (JETRO), the Japanese Exchequer, and Japanese economic dailies.

Large trading houses such as C. Itoh & Co., Mitsui & Co., Marubeni Ltd., Mitsubishi Corp., and Sumitomo Co. are on joint-venture terms with companies specialized in trade with the stalinist country, participating in their equity, capital, networks and sales.

Taking account of difficult conditions in doing business with North Korea, like lack of diplomatic ties and slow repayment of some 80 billion yen (641 million dollars) in debt, the Japanese giants have been investing as major shareholders of small- and medium-sized companies, which are relatively indifferent to the political discomfort.

Inspired by recent good terms between Tokyo and Pyongyang, big enterprises and manufacturers have started to pay close attention to North Korea, keeping direct investment in mind, the NUB said.

Japanese industry is very close to advancement to North Korea and, unlike most believe, those companies are mostly not associated with chochongnyon, the pro-Pyongyang Federation of Korean Residents in Japan, the NUB officials said.

Japanese enterprises have finished studying industry, major projects, and the investment atmosphere in North Korea, and two parties are said to have already formed high-level business relations.

After a joint visit to Pyongyang by the East Asia Trade Research Institute and the Japan-North Korea Trade Association in April 1991, a second delegation for economic cooperation visited North Korea in July last year for a week, taking along plant experts from major Japanese firms.

North Korean vice foreign trade minister Yi Song-nok recently flew into Japan and met with the members of the Japan federation of economic organizations to discuss trade relations.

During its annual meeting on June 3, 1992, the pro-Pyongyang Association of Korean Merchants said Japan had signed about 100 joint-venture contracts with North Korea in 1991 and invested hundreds of millions of yen in the hard-line stalinist country.

Once North Korea accepts full-fledged advancement by Japanese companies, there is a great possibility its economy will become addicted to Japan just like South Korea's did, an official said.

The official urged a quick breakthrough in inter-Korean economic cooperation, stalled by suspicion over North Korea's nuclear development, before Japan makes great inroads into North Korea.

DPRK Seeking Investors for Oil Development

SK0602011293 Seoul TONG-A ILBO in Korean 5 Feb 93 p 7

[Article by reporter Yi Pyong-ki]

[Text] It was revealed that North Korea's oil shortage has been further worsened recently and North Korea is accelerating the development of its own oil fields in a bid to break through the shortage.

Korea Trade Promotion Corporation [KOTRA] has prepared a report entitled "North Korea's Oil Crisis Caused by China's Demand for Hard Currency Payment" based on intelligence it gathered overseas. According to this report on 5 February, as a means of various methods for securing oil, North Korea has recently launched development of the seabed oil fields in the sea off Hungnam.

However, since North Korea lacks its own oil field development technology, it proposed to oil development companies in the Western countries, including Japan and Britain, to jointly develop oil fields.

Concerning this, a British oil development firm that received North Korea's proposal last year tried to sound out one of our country's business groups on its willingness to jointly participate in this project. However, in view of the fact that oil is a strategic material, this business group did not respond to this.

The areas which North Korea is proposing to companies in the Western countries as sites for joint oil field development are the sea zone 100 meters off Hungnam in the East Sea and a continental shelf zone in the sea off Sinpo.

North Korea began to develop the development zone in the sea off Hungnam in 1986 under the technical support by the former Soviet Union, and has confirmed deposits of good-quality gas.

However, Soviet technicians withdrew due to political upheaval in the Soviet Union in 1991. As a result, North Korea has faced great difficulties since then. Thus, North Korea is hoping for investments of foreign enterprises that possess screen-monitoring technology for oil deposits and stratigraphic exploration technology.

The sea zone off Sinpo is an unexplored area. North Korea last year proposed to Japanese enterprises the joint development of this zone on the condition that "when North Korea and a Japanese enterprise jointly develop oil fields in the sea off Sinpo and if this project succeeds, the Japanese enterprise will be entitled to take out 50 percent of produced oil."

Kim Yong-sin, a KOTRA official in charge of North Korean affairs, pointed out: North Korea tried to explore oil fields in the West Sea's continental shelf in 1975 in the (jackey) method. However, its exploration had ended in failure. It seems that North Korea is recently hastening the development of oil fields, and proposing for joint-venture with Western enterprises in a bid to overcome the oil shortage.

He added that "North Korea, estimating that securing oil in a short period of time even through oil field development is difficult, made Deputy Premier Kim Tal-hyon visit Iran in December last year in an attempt to secure an oil supply source and requested the supply of 1 million tons of oil annually. In addition, North Korea also requested loans from China. North Korea proposed to four large business groups in South Korea, including Samsung, Daewoo, Lucky Gold-Star, and Hyundai, barter exchange of zinc, steel and iron for the South's grains and oil. Thus, North Korea is attempting to secure oil in every way."

Concerning such moves by North Korea, relevant officials from business circles observed that "since North Korea's dependence on oil is only 10 percent, analysis that North Korea's economic system will collapse soon due to oil shortage is not reasonable. However, North Korea seems to be experiencing a serious stumbling block in transportation and industrial production, and in particular, it is faced with difficulties in maintaining its military power."

Russian Ministry Reveals DPRK Owes \$3.3 Billion

SK0902113693 Seoul CHUNGANG ILBO in Korean 9 Feb 93 p 1

[By Moscow-correspondent Kim Sok-hwan in Moscow]

[Text] North Korea owed Russia a total of \$3.3 billion as of the end of 1992. The Russian Foreign Ministry revealed on 8 February that the sum of the debt that North Korea reimbursed to the former Soviet Union up to the summer of 1991 amounted to 2.524 billion rubles of the principle, and 742 million rubles of interest.

According to this source, the debt that North Korea owed to Russia amounted to 2.809 billion rubles (equivalent to approximately \$3.3 billion if the ruble-dollar conversion rate between socialist countries is applied) as of the summer of 1992.

The amount of debt, however, is relatively small compared to that of other socialist countries who owe money to Russia (Cuba \$25 billion, Mongolia \$10 billion, and Vietnam \$9.08 billion).

Russian Decision To Observe Team Spirit Reviewed

SK1002072493 Seoul TONG-A ILBO in Korean 9 Feb 93 p 2

[Text] Russia has decided to observe the week-long ROK-U.S. joint military exercise Team Spirit to be staged beginning in mid-March, marking the beginning of full-scale ROK-Russia military exchanges.

When it announced resumption of the Team Spirit exercise on 26 January, the government invited seven nations, including North Korea, Russia, China, and four other neutral nations, to observe it. A relevant official in the Ministry of National Defense [MND] revealed on 9 February that among these nations, Russia, through a military attache in its embassy in the ROK, expressed its willingness to observe the exercise.

The government had extended invitations to North Korea and the former Soviet Union in 1991 to observe the Team Spirit exercise. However, the Soviet military, defining this exercise as "an exercise for a surprise attack on North Korea," refused to observe the training in accordance with the treaty of military alliance with North Korea.

Russia sent Vice Foreign Minister Kunadze to Pyongyang on 1 February to discuss a revision of the Russia-DPRK military alliance with North Korean Foreign Minister Kim Yong-nam. Following this, Russia conveyed its willingness to observe the Team Spirit exercise. The MND believes that such moves by Russia reflect a significant development in ROK-Russia diplomatic relations, since they were officially established in 1990, into a new and higher stage of military exchanges.

The MND and foreign ministry revealed that in addition to this our naval ships will visit Vladivostok to attend a ceremony marking the opening of the ROK Consulate General in mid-April, and Russian naval ships will visit Pusan to attend a ceremony marking the opening of Russian Consulate General in June.

A relevant government official said that such visits of military ships are a signal of full-scale substantive military exchanges based on official diplomatic relations.

Song Hung-sip, then first vice chairman of the ROK Joint Chiefs of Staff, visited Moscow last July; Kokoshin, Russia's first vice defense minister, then visited the ROK in November. Moreover, the ROK and Russian military reached an agreement on a 1993 exchange of visits of ministers and vice ministers of defense, as well as chairmen of the Joint Chiefs of Staff.

When the two governments were working out a draft treaty on basic relations in April and June last year, the ROK demanded of the Russian military leaders that Russia liquidate its military alliance with North Korea; the Russian side accepted our demand. Prompted by this, contact between military leaders of two countries began.

Relevant officials from our defense industry pointed out that the United States' barriers to exchange of its defense industry technology are very high. Therefore, they demanded of the government that defense industry cooperation, including purchase of weapons that were exclusively made in the United States, be diversified with Europe.

A relevant defense official noted that "we are beginning military exchange with Russia, not defense industry cooperation." He then stressed: We are consolidating a joint defense system with the United States. In view of our present weapons system, problems may arise in overall logistics support in the event that Russian-made weapons are partially introduced into our army. Therefore, we have never reviewed defense industry cooperation with Russia.

ROK May Take U.S. To Court on Dumping Charge
SK1002093193 Seoul YONHAP in English 0739 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—South Korea warned Wednesday that it was ready to take the United States to court on recent steel anti-dumping charges, calling the charges unfair, protectionist and incomprehensible.

"Korea will view the matter with the utmost seriousness while reserving its rights under the General Agreement on Tariffs and Trade (GATT) if this matter is not satisfactorily concluded," South Korean Ambassador to Geneva Pak Su-kil told the GATT council.

In his speech, released here by the Foreign Ministry, the ambassador lashed out at the Clinton administration, saying it had yet to show "a solid sign that it is committed to the GATT-based multilateral system and the Uruguay Round."

The GATT council meeting is the first international trade forum to open since the U.S. Commerce Department's announcement Feb. 3 of preliminary dumping

charges on steel products from 19 countries with penalties as high as 109 percent for Britain.

Korean steelmakers face punitive tariffs of between 4.72 percent and 30 percent.

The case can go to court only after the final determination, due on June 2, but Foreign Ministry officials say that they are preparing "all options, meaning court battle."

South Korea was among the 13 nations that spoke out against the U.S. decision at the GATT council alongside the European Community, Brazil, Japan, Argentina and Mexico.

The U.S. decision will no doubt have an adverse impact on the Multilateral Steel Agreement (MSA) and other countries are feared to follow the protectionist path, Pak told the council.

"Unfortunately, one has ground to doubt if these actions were purely commercial," he said, casting suspicion on the proliferation of anti-dumping and countervailing complaints, the timing of its filing coinciding with the expiration of the Voluntary Restraint Agreement (VRA), and the margins exceeding 100 percent.

The countervailing action against Korea is based on allegations that the U.S. Commerce Department had already rejected in 1982 and 1984, he charged.

"Specifically concerning the anti-dumping action, I have received complaints from our steel industry that the United States, by applying the so-called best Information Available Criterion (BIA), relied principally on the data supplied by their own steel industry, rather than the figures which our steel industry supplied," Pak said.

"If this is true, and if we accept that the commerce department simply followed a mandated procedure, then we cannot but conclude that U.S. anti-dumping law has serious shortcomings," he said.

ROK Expects U.S. To Step Up Market Pressure
SK1002035593 Seoul THE KOREA TIMES in English 10 Feb 93 p 1

[By staff reporter Kim Chang-yong]

[Text] The United States, which slapped high-rate penalty tariffs on Korea's steel products in a preliminary decision soon after the Clinton administration was inaugurated, is now stepping up pressure for more access to the latter's agricultural markets.

It is most likely to put the screws on Korea to open the beef market further in bilateral talks, scheduled for tomorrow through Saturday in Seoul, officials here say.

Kim Tong-tae, director general for Livestock Affairs at the Ministry of Agriculture, Forestry and Fisheries, will

represent the Seoul mission. His counterpart is Nancy Adams, deputy assistant of the United States Trade Representative.

On their agenda are issues concerning liberalization of beef imports, setting quotas for this year and the years to come, and a simultaneous-buy-and-sell (SBS) tender system.

Seoul will focus on setting the quotas for this and coming years and modification of the tender system rather than the heady question of liberalization, one negotiator said.

Seoul officials are inclined to increase the quota by 7 percent, the rate by which beef consumption has grown for the past 10 years, above this year's level of 86,000 tons proposed in previous talks.

But the imports will be far more than the initial quota for 1993. The ministry plans to ship in 120,000 tons this year through the Livestock Products Marketing Organization to meet growing demand.

In the past few years, the volume was more than twice the quota. Last year, for instance, beef imports amounted to 132,000 tons though the obligatory quota was set at 66,000 tons.

Korea, the world's fifth beef importer, is the third largest market for American beef producers just behind Japan and the European Community, according to official figures.

There is the likelihood that the talk may fall apart if Washington sticks to its longstanding demand for a full liberalization of beef imports this time, officials warned.

Two similar meetings were held last year only to hit a snag over the matter. Washington has called for the complete opening of the beef markets by July 1997, while Seoul has refused to accept the demand.

In the first talks in March 1990 arranged at the recommendation of the beef panel of General Agreement on Tariffs and Trade [GATT], Korea agreed either to liberalize beef imports or comply with the GATT by 1997.

"It is very hard to open our beef markets 100 percent under the current situation," Kim Tong-tae said. "We oppose full, unconditional liberalization. We will just prepare to conform with the GATT by then."

Korea's agricultural and marine sectors have already been hit hard by both advanced and less developed countries.

The multilateral Uruguay Round talks under the GATT threatens to lift Korea's ban on rice imports despite several years of a rice glut. In the domestic markets, local products have been losing price competitiveness in the face of offensives by China, armed with abundant raw materials and cheap labor.

U.S. Expected To Renew Beef Quota Demands

SK1002053793 Seoul THE KOREA HERALD in English 10 Feb 93 p 8

[Text] The United States is expected to renew its demands for a sharp increase in Korea's beef import quota and a timetable for the liberalization of the local beef market in bilateral talks to be opened in Seoul tomorrow, government officials said yesterday.

The U.S. call for reforming the bidding system of importing beef products, known as the simultaneous buy and sell system (SBS), will also be on the agenda of the third round of talks, the first under the administration of U.S. President Bill Clinton, said officials at the Ministry of Agriculture, Forestry and Fisheries.

The two sides will likely clash over the interpretation of an agreement reached in 1990 on a schedule for liberalizing the domestic beef market, that would eliminate Korea's restrictions on the importation of beef by July 1, 1997, or conform to new rules of the General Agreement on Tariffs and Trade (GATT), they said.

U.S. negotiators are expected to demand a pledge from Korea to fully open its beef market by 1997, citing the 1990 agreement, but the Korean side will repeat the difficulties facing the local cattle industry, which makes it impossible to fully liberalize its beef market, according to ministry officials.

Korean delegates, they said, will stress that the liberalization of the beef market will depend on the conclusion of the now-stalled multilateral trade talks of the Uruguay Round. Some GATT members, including Korea, have demanded that a few agricultural products be excluded from GATT Secretary-General Arthur Dunkel's proposal's tariffication scheme which requires the conversion of all nontariff barriers into duties.

Korean and U.S. negotiators will be divided over the increase of Korea's global beef quotas for this year and thereafter.

The U.S. side will demand an annual 20 percent increase in global beef quotas on the basis of imported beef products in 1992, while Korean negotiators will offer an annual increase rate of 7 percent on the basis of the average beef imports during the past three years.

ITC Favors U.S. on Pipe Fittings From ROK

SK1002063293 Seoul YONHAP in English 0244 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—The International Trade Commission (ITC) ruled Tuesday that imports of stainless pipe fittings from Korea had caused damage to U.S. industry, the Korea Foreign Trade Association (KFTA) said Wednesday.

Asia Bend Co., the sole Korean exporter of the product, will be penalized with a 21.2-percent anti-dumping tariff under the ITC final ruling in favor of the U.S. Commerce Department's decision.

Asia shipped about 1 million U.S. dollars of pipe fittings to the U.S. market in 1991, but exports dropped by a half to 500,000 dollars last year due to the preliminary ruling in September 1992.

Taiwan was accorded a dumping margin of 48.05 percent to 76.2 percent late last year in a preliminary decision and awaits final rulings by the Commerce Department and the ITC in late February and mid-April, respectively.

Nations File 14 Dumping Filings Against ROK

SK1002042693 Seoul YONHAP in English 0206 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—Anti-dumping suits and rulings recognizing industrial damage against South Korean exports by developing nations increased to 14 last year. No anti-dumping charges were filed against Korean exports by developing nations before 1990, when Taiwan brought the first suit against Korean goods.

Mexico undertook an anti-dumping investigation of Korean polyester fiber in May last year and made a final ruling in favor of its industry with a dumping margin ranging from 8.7 percent to 32 percent on Jan. 20. The Latin American country is looking into anti-dumping suspicions against Korean-made textiles but it dropped charges against rubber belts recently.

Argentina began a probe on dumping charges of Korean color television sets in August and of car radios and video cassette recorders in September.

Taiwan made Korea regulate its shipments voluntarily by raising suits against steel imports such as galvanized sheet in 1990 and accused cold-rolled sheet makers of dumping their goods in the island country in October.

India slapped an anti-dumping tariff of 1,700 rupiahs (57 U.S. dollars) a ton on PVC [polyvinyl chloride] from Korea Dec. 18 in a preliminary ruling and is probing dumping charges against Korean Styrene Butadiene Rubber (SBR) since October.

New Zealand made final rulings against men's footwear and pvc cling wrap from Korea in September and stopped the investigation into dumping charges for Korean dry cells in June, after Korean exporters promised to raise prices. It also tried to prove that Korean tires were dumped on its market last year, but failed.

Turkey has imposed a 12-percent anti-dumping tariff on car batteries from Korea since May last year.

Communications Loan Set for Romania

SK0902015093 Seoul YONHAP in English 0029 GMT 9 Feb 93

[Text] Seoul, Feb. 9 (YONHAP)—South Korea will extend a 39.47 billion-won (50 million-U.S.-dollar) loan to Romania to help it modernize its communications network, a government source said Tuesday.

The won-denominated loan is part of an effort to help developing countries. It carries 4.1 percent annual interest for repayment over 20 years, including a five-year grace period, the spokesman said. The money will come from the Economic Development Cooperation Fund. He said that Korea has supported 23 projects in 19 countries with 244.3 billion won since the EDCF was set up in July 1987.

KAL To Debut Seoul-Gdansk Charter Flight

SK1002033893 Seoul YONHAP in English 0015 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—Korean Air (KAL) is to make the first charter flight ever between Seoul and Poland on Wednesday.

The plane was chartered by a Russian shipowner to carry 260 Polish sailors working on a ship in Ulsan port in southeastern South Korea back home because their contracts have finished.

KAL special flight 9515 will leave Kimpo International Airport on Wednesday at 11:55 A.M. and is to land at Gdansk Airport on Wednesday at 4:25 P.M. The plane will leave Gdansk two hours later with another 260 Polish sailors and is scheduled to land back at Kimpo on Thursday at 1 P.M.

Environmental Meeting Approves Wildlife Project

SK1002121393 Seoul YONHAP in English 0902 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—The northeast Asian environment meeting approved a third project Wednesday as part of regional plans, adding wildlife preservation to energy and air pollution, and capacity building.

It was decided that the Economic and Social Commission for Asia and the Pacific (ESCAP) would serve as a secretariat, although the participants agreed it was too early to institutionalize a cooperation mechanism, conference sources said.

Senior officials from South Korea, Japan, China, Russia and Mongolia are holding a four-day conference to pick regional plans and to pool necessary funding. The Asian Development Bank (ADB) said it was ready to provide major parts of the funding, and the five participating countries decided to regularize their conferences starting with the second meeting, in Beijing this October.

Chong Resignation From Politics Affects UPP**Song First To Leave After Chong***SK0902054893 Seoul YONHAP in English 0533 GMT 9 Feb 93*

[Text] Seoul, Feb. 9 (YONHAP)—Rep. Song Yong-chin of Tangjin, South Chungchong Province, became the first person to say he would leave the United People's Party [UPP] right after party leader Chong Chu-yong declared his intention to quit politics Tuesday. Song's departure brought the number of UPP seats in the National Assembly to 33.

UPP Lawmakers May Join DLP*SK1002063493 Seoul YONHAP in English 0318 GMT 10 Feb 93*

[Text] Seoul, Feb. 10 (YONHAP)—The minor opposition United People's Party [UPP] was rushing toward disintegration Wednesday, one day after its leader Chong Chu-yong announced his retirement from politics.

A majority of the party's 33 lawmakers were reported Wednesday to be interested in joining the majority Democratic Liberal Party [DLP] while only a handful of DLP deserters and close associates of Chong Chu-yong were insisting on keeping the party going.

But if the trickle of lawmakers already leaving the party turns into a flood, it will be unable to maintain its parliamentary status of a negotiating entity as this requires 20 or more lawmakers, sources said.

Reps. Yi Ho-chong and Song Yong-chin left the party at around the same time Chong Chu-yong announced his retirement Tuesday and were followed by Reps. Chong Tae-yong (Kumsan) and Yi Hak-won (Ulchin) on Wednesday. Chong and Yi were reported to be joining the Democratic Liberal Party.

Reps. Won Kwang-ho, Pak Chae-sang, Kim Tu-sop, Kim Hae-sok, Song Kwang-ho, Kim Chin-yong, Kim Pom-myong and Cho Il-hyon have expressed their interest in joining the Democratic Liberal Party.

The party's top three post-holders, Secretary-general Kim Hyo-yong, floor leader Kim Chong-nam and policymaker Yun Yong-tak, were said to be still watching the development, sources said. There were some party lawmakers who were weighing the possibility of joining the main opposition Democratic Party, the sources said.

The United People's Party is expected to face a critical moment in its existence on Thursday, when Chong Chu-yong returns from Ulsan, South Kyongsang Province, to Seoul and takes measures to give up his seat in the National Assembly and officially leaves the party he created slightly more than a year ago.

Despite its semblance of a political party, the United People's Party was never anything but Chong's personal

political vehicle, set up by the multibillionaire with the express purpose of running for president in the Dec. 18 election.

With his humiliating defeat at the polls, the United People's Party, for all practical intents and purposes, lost the reason for its existence. And without Chong's financial backing, it may be just a matter of days before the party disappears from the Korean political landscape, sources said. There is a strong possibility that the nation will see a virtual two-party political system, they said.

Rep. Chong Mong-chun, Chong Chu-yong's sixth son, said his father was expected to appear at party headquarters Thursday and announce his followup steps. As far as he understood it, Chong Mong-chun said, Chong Chu-yong will give up his seat in the National Assembly and cut his ties with the United People's Party.

"He will make no financial support to the party whatsoever," Chong Mong-chun said.

Meanwhile, the party held an emergency meeting of chairmen and senior officials Wednesday morning and decided to solidify its ranks and normalize the party's operations as soon as possible.

They agreed to convene a meeting of party lawmakers Thursday to discuss the direction of the party and problems related to it, Pyon Chong-il, the party spokesman, said.

Byon said those who attended Wednesday's meeting shared the opinion that the party should not expect any financial backing from Chong any more and they should try to stand by themselves.

Premier Addresses National Assembly Session*SK1002121493 Seoul YONHAP in English 1132 GMT 10 Feb 93*

[Text] Seoul, Feb. 10 (YONHAP)—Prime Minister Hyon Sung-chong said Wednesday the government is working on a set of measures to prevent the recurrence of college entrance exam scams.

Testifying at the National Assembly plenary session, Hyon said the education authorities have been looking into the true picture of the illegal acts reported over entrance examinations at a few campuses in Seoul.

"Depending on findings, we will rigidly punish those involved in the scams and take steps to strengthen campuses' self-inspection mechanism," the premier said.

He said the illegality surrounding entrance examinations were the product of avarice on the part of parents trying to send their children to colleges by whatever means and also of acts of some school officials who sought to financially profit from the mammonism rampant in the society.

On the issue of local elections, Hyon said the administration stands ready to carry out the elections on a schedule to be determined by the political circles.

"But, the opinion of us in the administration is that it would be good to hold both local autonomy body heads and local council elections at the same time in 1995 and then shorten their office terms by one year so that the next elections after 1995's could be held in 1998," he said.

By so doing, Hyon said, the nation could have a reasonable two years' span between the 1996 general elections and the 1998 local elections.

Also speaking at the assembly session, Home Minister Paek Kwang-hyon said the police had booked a total of 3,261 persons on suspicion of committing various irregularities during the last December presidential election.

By partisan affiliation, the total includes 218 persons of the majority Democratic Liberal Party, 418 of the opposition Democratic Party, and 1,194 of the United People's Party, he said. Of the total, 2,067 people were criminally booked, 12 were still being questioned, and the remaining 1,182 minor offenders saw their cases dropped, Paek said.

Meanwhile, Justice Minister Yi Chong-u told the assembly that on the occasion President Kim Yong-sam's inauguration on Feb. 25 there would be a sweeping amnesty of a magnitude more extensive than any other in the past.

"My office will recommend that the amnesty will include politically implicated people including those students who were unavoidably punished in the course of democratization in addition to ordinary prisoners," Yi said. He was quick to add, however, that the amnesty cannot include espionage agents and other leftist prisoners and those felons involved in the killing of a multitude of people.

Officials Vow to Fight Government Corruption

DLP To Form Anticorruption Group

SK0902130693 Seoul YONHAP in English 1132 GMT 9 Feb 93

[Text] Seoul, Feb. 9 (YONHAP)—The majority Democratic Liberal Party [DLP] and the presidential transition team decided on Tuesday to establish the proposed anti-corruption committee under a special law, not under a presidential decree as earlier planned, to make the committee more powerful than originally conceived.

Under the decision, the DLP plans to legislate a special law on prevention of irregularities at the current special assembly session so that the anti-corruption committee could set sail immediately after the inauguration of the new administration on Feb. 25.

A source at the majority party said that if and when the special law were legislated, it would empower the committee to play a central role in cracking down on corruption feared to have reached an alarming point now.

The committee would be placed under the direct control of the president and take over the function of the office of a presidential secretary for inspection set to be abolished under the new administration, he said.

Elaborating on the role of the committee, the source said it would have the right to look into specific cases but not directly investigate individuals involved. "Instead, the proposed committee would ask law-enforcement authorities to do so," he said. The function of the committee would be so regulated as not to overlap with the investigative duties of the existing law enforcement authorities like prosecution, the source added.

Kim Yong-sam Vows To Step Up Fight

SK1002035793 Seoul THE KOREA TIMES in English 10 Feb 93 p 2

[Text] President-elect Kim Yong-sam, president of the ruling Democratic Liberal Party [DLP], yesterday vowed that he won't forgive any party or government official involved in corruption during his five-year term.

In a strongly-worded speech to party officials who gathered at the DLP Central Political Training Institute in Karak-tong, southeastern Seoul, to commemorate the third anniversary of the party's founding, the party president said, "I strongly believe that the only way to save the nation from downfall is to root out the corruption rampant in officialdom, political circles and other sectors of Korean society."

Kim told some 100 DLP lawmakers and 2,000 DLP cadre members that the corruption and irregularities wide-spread in Korean society have reached a dangerous level and something has to be done urgently for national survival.

"The world is now entering an era marked by all-out economic, trade and technological war where the principle of the 'survival of the fittest' prevails," the DLP president said. "Now we must brace ourselves to meet the challenge."

"We must win the competition and emerge as the main actor of world history," Kim said, urging party members to take the lead in the bold attempt.

"Now we must admit that our society is not healthy enough to tide over the challenge and that our hard-won democracy is being stunted by the weeds of extravagance and egoism," Kim said.

He also said that authority was missing and society is decaying with rampant corruption as manifested by the recent illegal university admission scandals.

Vowing sweeping reforms in all sectors of Korean society, Kim warned, "I will sternly deal with whoever is involved in corruptive practices."

Kim said that the anti-corruption drive is also a prerequisite to reinvigorating the Korean economy which lost its momentum in the midst of rampant speculation and moral decay.

"Now we must start anew and I myself and the DLP should be standard-bearers of the drive for economic and social renewal," the president-elect said.

He emphasized the need to cleanse the corrupt politics marked by the traditional collusive links with business, urging the DLP to set an example to realize a "politics requiring less money." Kim recently ordered the party leadership to trim its secretariat as part of the scheme.

"Before the people, we must declare that the DLP will become a party leading the reform through self-sacrifice and unswerving determination," Kim said.

In the no-frills ceremony which lasted 40 minutes, Kim cited exemplary party members.

Transition Team Finishes Draft Bill

SK1002093293 Seoul YONHAP in English 0726 GMT 10 Feb 93

[Text] Seoul, Feb. 10 (YONHAP)—The presidential transition team put the final touches to a draft bill to set up a committee that will cope with irregularities and malpractices in officialdom Wednesday.

The corruption prevention committee will be under the direct command of the president and will have five members, including a cabinet minister-level chairman with a tenure of two years, according to the draft bill. The bill provides that the committee can carry out special orders from the president on inspection and justice affairs. The committee will succeed to almost all the roles of the presidential office for justice and inspection, which is to be abolished after the launch of the new government.

The transition team has also decided to draw up measures to energize the economy such as enactment of basic trade laws for the effective restructuring of government organizations dealing with trade affairs and report them to President-elect Kim Yong-sam this week.

It was suggested that the export screening system be lifted to promote shipments, licenses for export and import agents be issued on request and an external trade coordination body be formed to take full control of the government's trade-related activities. External trade activities are now handled by the economic planning board, and the home, finance, and trade and industry ministries.

It was said that a special National Assembly committee should be created to cope with the Uruguay Round trade

talks and trade protectionism by the advanced countries more efficiently, and that a reduction in bank holidays be considered.

The team made plans to ask the president-elect to crack down on unfair treatment of small firms in commodity deals to centralize economic power through strengthening trade order.

Former Official Sentenced for Election Misdeeds

SK0802131793 Seoul YONHAP in English 1216 GMT 8 Feb 93

[Text] Taejon, Feb. 8 (YONHAP)—Han Chun-su, former commissioner of Yongi County, South Chungchong Province, was sentenced on Monday to one year's imprisonment with a stay of execution for two years.

At a Taejon district court trial, Han, 62, was found guilty of violating the National Assembly election law. He was arrested early last year and later released on bail after he disclosed that in the March 1992 general elections he used the influence of his office in support of a ruling party candidate at instructions from a higher office.

The court also sentenced Yim Chae-kil, the candidate of the ruling Democratic Liberal Party, to eight months in prison and Yi Chong-kuk, ex-South Chungchong Province governor, to ten months' imprisonment both with the stay of execution for two years.

The court confiscated the 9 million won in checks which Han said he received from Yi Chong-kuk and three wrist watches, part of those Yim prepared for use as campaign handouts.

Handing down the verdicts, the presiding judge said a large part of Han's contention that his election intervention was at instructions from a higher office could be recognized.

"However, in view of the way he stepped in the election, it is difficult to conclude that all of his intervention was solely at instructions from a higher office," the judge said. After the sentence, Han and Yim said they would appeal their cases to an appellate court.

Meanwhile, at a Seoul district court Monday, the prosecution demanded death for Hwang In-o, age 37, a ringleader of the espionage case of the South Korean Choson (Korea) Workers' Party.

A prosecutor said Hwang deserved capital term as he, guided by North Korean spy Yi Son-sil, went to North Korea to receive an espionage training and after his return to the South had worked for North Korea trying to subvert the South Korean system.

\$12.75 Billion To Be Spent on Developing Ports

*SK1002063193 Seoul YONHAP in English 0228 GMT
10 Feb 93*

[Text] Seoul, Feb. 10 (YONHAP)—The Korea Maritime and Port Administration [KMPA] is to invest 10 trillion won (12.75 billion U.S. dollars) on expanding and improving major South Korean ports by the year 2001, a KMPA spokesman said Wednesday. KMPA will develop the ports in accordance with their functions, he said. Specifically, it will invest 4.03 trillion won by 1996 and 5.97 trillion won in 1997 to 2001 to expand port facilities and develop ports by region.

In addition, KMPA plans to connect Pusan and Kwangyang ports to the trans-China and trans-Siberian

railroads in preparation for expansion of trade with China and Russia, while developing Incheon, Pohang and Tonghae as central ports in Northeast Asia.

The administration will, in particular, develop Incheon and Asan ports for the Seoul region, build a new port in Changhang for the central region, in Kwangyang for the southwestern region, in Pusan and Pohang for the southeastern region, in Tonghae for the northeastern region and in Cheju for the Cheju region.

KMPA will develop Pusan and Kwangyang as container ports, Ulsan, Kwangyang and Taesan as oil-handling ports, Incheon, Mokpo, Ulsan and Tonghae as coal-handling ports, and Incheon and Kunsan as grain-handling ports.

Burma

SLORC Meets Consensus Problems at Convention

BK0902114893 Hong Kong AFP in English 1133 GMT 9 Feb 93

[Text] Bangkok, Feb 9 (AFP)—The name "U James Bond" at the top of a list is only one indication the Burmese junta is having a hard time getting the consensus it wants in a constitutional convention, a Rangoon-based diplomat said Tuesday. The diplomat, who declined to be named, said here that last week not one of the 90 members of Aung San Suu Kyi's main opposition National League for Democracy (NLD) taking part in the convention had been named to head panel discussions. Instead a little-known "U James Bond" of the equally little-known "Kokang Democracy and Unity Party" topped the list of five "elected" discussion group chairmen, and the others were unknowns, he said. "U" in Burmese translates as Mr. The NLD accounts for 90 of the 107 party representatives taking part.

The difficulties the junta, known as the State Law and Order Restoration Council (SLORC), is facing first became publicly apparent when it abruptly adjourned the convention two days after it was convened in January. When it resumed after a 20-day break on February 1, those difficulties had "clearly not disappeared," the diplomat added. He said there were "strong indications" that NLD delegates and possibly other parties were determined to table their objections to SLORC's insistence that the convention enshrine a major role for the military in any constitution.

With a total of 700 delegates, all but the 156 political party and elected representatives carefully handpicked by the SLORC, the diplomat predicted the junta might have to use the bulk of the others to "overawe the 156" if consensus could not be reached. In that case, unless they resorted to jailing people, "We can expect to hear a lot of things like 'the minority views have been overruled by the majority,'" he concluded.

The constitutional convention, which opened to fanfare in Rangoon in January, is the first major political move made by the SLORC since it called elections in 1990. They were swept by the NLD. By the time the elections took place, Suu Kyi, daughter of Burmese independence hero Aung San, had been slammed under house arrest, and the SLORC refused to let the NLD take power.

All sessions of the convention—portrayed by most diplomats as designed to try put a human face on SLORC rule and persuade foreign donors to resume aid—have been held behind closed doors.

Delegates Hold 6th Day of Panel Discussions

BK1002140693 Rangoon Burma Television Network in Burmese 1330 GMT 9 Feb 93

[Text] The delegates representing political parties, elected representatives, peasants, public service personnel, and special invitees held panel discussions on writing a report on suggestions made by delegates concerning the chapter headings that should be included in drawing up the national constitution. They continued their discussions at the respective meeting halls in the Kyaikkasan Grounds, Yangon [Rangoon] this morning and in the afternoon.

The panel discussion of the representatives of political parties was held at 1000 in Meeting Hall No. 5. Alternate Chairman Daw May Than Lwin, Shan Nationalities League for Democracy, presided over the meeting. U Zeya acted as secretary. Discussions were held and suggestions were made by U Anthony Su alias U La Yaung, Shan State Kokang Democratic Party; U Maung Peing alias U Khin Maung Thein, Mro or Khami National Solidarity Organization; U Yaw Aye Hla, Lahu National Development Party; U Saw Daniel, Union Kayin League; and U Marcos alias U Sai Lon, Wa National Development Party. The meeting ended at 1455.

The panel discussion of the elected representatives was held at 1000 in Meeting Hall No. 4. U San Tha Aung, alternate chairman and representative of the Mro or Khami National Solidarity Organization, presided over the session. U Myo Nyunt acted as secretary. U Khin Maung Cho, Dimawso constituency-1, Kayah State, read a draft report by the group, which was coordinated and formatted by the panel of chairmen and 12 representatives involved in the discussion. It was approved later because there were no changes or additions by the representatives. Dr. Hmu Tang, Thangtlang constituency, Chin State, and U Tun Hlaing, Bahan constituency No.1, Yangon Division, were appointed representative and alternate representative respectively to read a report of elected representatives.

Then U Maung Maung, Bilin constituency-2, Mon State read the report of elected representatives of the National League for Democracy. Later, the appointment of U Maung Maung, Bilin constituency-2; and U Tun Yi, Thandwe constituency, Arakan State, as representative and alternate representative respectively to read this report at the Convention was presented to the panel of chairmen. The meeting ended at 1120.

The panel discussion of the delegates representing peasants was held in Meeting Hall No. 7 at 0930. Alternate Chairman U Sai Tint Aung, Hsenwi Township, Northern Shan State, presided over the discussion. U Thant Zin acted as secretary of the meeting. Discussions were held and suggestions were made by U Margun, Matupi Township, Chin State; U Khin Thaung, Pyabon Township, Irrawaddy Division; U Yaw Han, Hopan Township, Northern Shan State; U Tun U, North

Okkalapa Township, Yangon Division; U Min Kyi, Henzada Township, Irrawaddy Division; U Sai Kyaw Nyunt, Hsipaw Township, Northern Shan State; U Shwe Hla, Ahn Township, Arakan State; U Min Thu, Katha Township, Sagaing Division; U Soe Myint, Homalin Township, Sagaing Division; U Lwe Si, Dimawso Township, Kayah State; U Aung San, Chauk Township, Magwe Division; U Mahn Athi, Pa-an Township, Karen State; U Thaung Myint, Thayawaddy Township, Pegu Division; and U Kyine Daik-U Township, Pegu Division. The meeting was then adjourned for a short period and resumed at 1300. U Tun Kyi, Mahlaing Township, Mandalay Division; U Mya Way, Le-way Township, Mandalay Division; and U San Chaung Ti, Putao Township, Kachin State, held discussions and made suggestions on chapter headings to be included in drawing up the constitution. The result of the discussion and suggestions were approved by the chairmen. U San Chaung Ti, Kachin State, and U Phone Kyaw, Irrawaddy Division, were selected and appointed to read a report on chapter headings of the delegates representing the peasants. The meeting ended at 1420.

The panel discussion of special invitees was held in Meeting Hall No. 2 at 1300. U Wan Tin, alternate chairman and former commissioner, presided over the meeting. U Soe Lwin acted as secretary. At the meeting, the alternate chairman and secretary presented and explained the chapter headings being gathered, which should be included in drawing up the constitution. U De Brabyan, Kayan group; Dr. Tin Tin Mun, chairperson of the Myanmar [Burma] Maternal and Child Care Association; and U Sakhon Teiyin, special region-1, Kachin State also held discussions and made suggestions. The meeting specified 9 February to format and present the report. The meeting ended at 1410.

Commentary Views Growing PRC Influence

*BK1002081093 London BBC in Burmese to Burma
1345 GMT 9 Feb 93*

[Commentary by BBC Far Eastern correspondent Tim Lewis from the "Current World Affairs" program]

[Text] China's growing economic, military, and political influence in Burma in recent months has led some observers to claim that Burma is fast becoming a Chinese autonomous province or a satellite state.

The two countries exchange delegations almost daily across the border. China exports cheap consumer goods to Burma while the SLORC [State Law and Order Restoration Council] government buys weapons worth millions of dollars from China. The border trade with China has weakened the efforts of other countries to impose sanctions on Burma due to the SLORC's refusal to carry out democratic reforms.

China and the SLORC share many features, such as brutal suppression of pro-democracy student demonstrations in their respective capitals, and both claim their actions are purely internal matters.

Burma has little to export to China other than lumber and jade. Yunnan Province of China, adjacent to Burma, is certainly benefiting from the China-Burma border trade. However, an overall view shows Burma being dependent upon China while China does not have to depend on the world. Many observers believe that the real objective of the Chinese Government in having friendly relations with SLORC is to gain land access to the Indian Ocean. China would benefit economically and strategically if it were to gain access to the Indian Ocean via Burma.

It is learned that China is building three major highways across the border up to the Irrawaddy River. If the Chinese Government can use ports along the Burmese coastline as naval bases, it will have gained superpower status with access to two oceans. If that happens, it is likely to confront India, which considers the Indian Ocean its own territory. The report that the Chinese Government is helping SLORC build naval bases is coming from India. It is understood that in return for building naval bases, the Chinese would have access to a naval installation or at least a refuelling facility.

The Indian Government is not the only country that is concerned. Japan as well as the countries of Southeast Asia are concerned about China, which has been showing its naval strength in the South China Sea. China could threaten the Southeast Asian region from the Indian Ocean in the west.

At present, China's Navy has access to the Indian Ocean through a roundabout route from naval bases in China's southern coast through the Malacca Strait. The Indian side claims that is why China is constructing a naval base on Hainggyi Island on the Irrawaddy Delta. Hainggyi Island is located in southern Burma between the Andaman Sea and the Bay of Bengal. The Nagrais Archipelago or the Andaman Archipelago, which belongs to India, is quite close to Hainggyi. There are also reports of the Chinese building a radar station on the Coco Islands—a penal island—located north of the Nagrais Archipelago. Observers in India claim that the number of trips by Chinese naval vessels to the Coco Islands has increased since the beginning of this year. Meanwhile, neutral observers claim that the construction of highways through Burma and maintenance of naval bases along the route by the Chinese Government are not appropriate, considering the regional situation.

Although the Chinese have built highways in difficult terrain, the task of building highways across the mountains which run from north to south will be formidable indeed. Some claim that the Irrawaddy Delta, known for its heavy silting, is not suitable for warships which ply deep waters. However, the Chinese are likely to have coastal ships which cruise in shallow waters.

It is also likely that Japan and the Southeast Asian nations are maintaining close ties with the SLORC government out of concern for the growing Chinese influence in Burma.

Brunei, Malaysia & Singapore**Malaysia****Mahathir Fetes Mauritius' Jugnauth**

*BK0902042493 Kuala Lumpur BERNAMA in English
0315 GMT 9 Feb 93*

[Text] Kuala Lumpur, Feb 9 (OANA/BERNAMA)—Malaysian Prime Minister Dr. Mahathir Mohamed said Monday night South-South cooperation has begun to bear fruit with the initiatives and programmes undertaken at the forum of G-15 developing countries.

Malaysia will continue to share its experiences and contribute within its modest means to make South-South cooperation more effective, he said at an official dinner in honour of visiting Mauritius Prime Minister Sir Anerood Jugnauth at his residence, Sri Perdana.

The South Investment, Trade and Technology Data Exchange Centre (SITTDEC) launched during the G-15 third summit in Senegal in November was one initiative to promote cooperation and trade among developing countries, he added. Malaysia hosted the inaugural G-15 summit in 1990.

Describing SITTDEC as the yellow pages for the business community, Dr. Mahathir invited Mauritius to subscribe to the newly-established facility based here as it could contribute towards the island republic's economic growth.

Sir Anerood arrived Monday for a four-day official visit. He last visited Malaysia to attend the Commonwealth Heads of Government Meeting (CHOGM) in 1989.

Dr. Mahathir said many countries in the South have developed skills and expertise as well as agricultural and industrial capacities which can be of benefit to other countries.

In this context, Malaysia firmly believes that South-South cooperation is not only possible but also practical. He recalled memories of his first official visit to the Mauritius capital Port Louis five years ago that laid the foundation of enhanced economic collaboration between the two countries.

(Four Malaysian companies are operating in Mauritius with investments in a commercial bank, five-star hotel and a fully-integrated knitwear plant).

Dr. Mahathir said: Our trade has significantly increased in the last four years. More importantly, the distance between our two countries has been bridged with the operation of the joint weekly air services by Malaysia Airlines and Air Mauritius.

Despite the notable progress in bilateral economic relations, Dr. Mahathir said many areas still remain unexplored.

He urged the private sector of both countries to seize the opportunities for increased trade, investment and economic cooperation.

On the international scene, Dr. Mahathir said as members of the South, Non-aligned Movement and the Commonwealth, the two countries shared views on many issues, one of which was the concern with regard to South Africa.

While we welcome the changed attitude and efforts of the Pretoria regime to scrap the remaining vestiges of apartheid, Malaysia strongly feels that more rapid progress is necessary for the creation of a truly non-racial democratic South Africa, he said.

Dr. Mahathir said Malaysia was encouraged by the political and economic adjustment programmes towards the liberalisation and deregulation currently enforced in many states in Africa.

Mauritius, which could take pride in its pioneering role in introducing similar reforms many years ago, had become a role model for its neighbours, he added.

He said: The end of the cold war had initially promised some new hope for the world to work for an equitable and just world order. Such hope appears dim judging from recent developments in many parts of the world.

What we see before us is the propensity of the strong and the powerful to inflict heavy handed actions on weaker states. The selective application of UN resolutions is a case in point.

He said in the economic domain, free trade was no longer free with various tariff and non-tariff barriers being introduced such as eco-labelling, self-serving human rights indices and discriminatory and punitive taxes.

These deliberate obstacles are threats to the economic well-being of many developing countries for whom external trade constitutes an increasingly important source of their foreign exchange earnings, he added.

Bosnia To Open Embassy by End of Feb

*BK1002014893 Kuala Lumpur NEW STRAITS TIMES
in English 8 Feb 93 p 10*

[Text] Kuala Lumpur, Sun.—The Government of Bosnia-Herzegovina will open its embassy here by the end of this month, its representative in Malaysia, Dr Mustaffa Cerić [name as received], said today.

He said his Government was finalizing arrangements with Wisma Putra [Foreign Ministry] on the matter.

The embassy will facilitate matters like travel between the two countries, he said.

"We will also set up a consular office to take care of the welfare of Bosnians in Malaysia and Southeast Asia."

"We already have an embassy in Vienna and a temporary office in Istanbul, Turkey and Islamabad in Pakistan," he told a news conference.

Also present were Abim-Bosnia Fund [Malaysian Islamic Youth Movement-Bosnia Fund] Chairman Nur Anwar Hashim and Deputy Chairman Abdul Malik Awang Kechik.

Ceric said there were no plans to establish embassies in other countries due to financial constraints.

He said his Government was prepared to establish embassies in other countries if the host Governments were willing to assist.

He said the proposed embassy here would reflect the close cooperation between the two Governments.

It would also be a symbol of the presence of Bosnians in the country, he added.

There are 350 Bosnians in Malaysia, including 150 undergraduates at the International Islamic University in Petaling Jaya.

Ceric said the embassy would issue visas for Malaysians intending to visit the country.

"I hope Malaysians will visit our country once we begin issuing visas," he added.

USNO Restates Refusal To Cooperate With PBS

*BK0902142493 Kuala Lumpur Radio Malaysia
Network in Malay 1300 GMT 9 Feb 93*

[Text] USNO [United Sabah National Organization] today described the move by the Sabah United Party [PBS] to set up a committee to explore the possibility of setting up a coalition government in Sabah as the latter's internal affair. USNO President Datuk Amir Kahar Tun Mustapha said that setting up the committee had nothing to do with USNO. He was commenting on PBS President Datuk Joseph Pairin Kitingan's statement that PBS was setting up a committee to explore possible cooperation with USNO. Datuk Amir Kahar was speaking to RTM [Radio Television Malaysia] prior to his departure for Kuala Lumpur today. He said that the issue of USNO cooperating with PBS in setting up a coalition government did not emerge. He reaffirmed USNO's refusal to cooperate with PBS.

Foreign Minister Returns From Jakarta

*BK0902140893 Kuala Lumpur Radio Malaysia
Network in Malay 1300 GMT 9 Feb 93*

[Text] A working technical committee made up of Malaysia, Indonesia, and Singapore will meet in Kuala Lumpur by the end of this month to discuss ways of regulating traffic along the Malacca Strait. The committee is expected to formulate proposals on regulating the international waterway.

Foreign Minister Datuk Abdullah Ahmad Badawi spoke at a press conference at Kuala Lumpur International Airport this evening soon after returning from Jakarta. He attended the meeting of the Malaysian-Indonesian Joint Commission there yesterday. He hoped that the Kuala Lumpur meeting would be open to other countries, particularly those using the Malacca Strait as a waterway for their ships. Datuk Abdullah also hoped that the International Maritime Organization would attend such meetings in the future.

Cambodia

Hun Sen Suggests Offensive if Buffer Rejected

*OW0502125693 Tokyo KYODO in English 1241 GMT
5 Feb 93*

[Text] Phnom Penh, Feb. 5 KYODO—Hun Sen, prime minister of the Phnom Penh government, has indicated that a second offensive against Khmer Rouge forces is likely if Phnom Penh's call for a U.N.-administered buffer zone is rejected, Phnom Penh Government sources said Friday.

The sources revealed that Hun Sen suggested the new offensive is possible in a discussion of the deteriorating Cambodian situation Tuesday with Yasushi Akashi, head of the U.N. Transitional Authority in Cambodia (UNTAC).

Hun Sen also apparently aborted Phnom Penh's first offensive against the Khmer Rouge stronghold of Pailin in Battambang Province, some 355 kilometers northwest of the capital, after considerable criticism from abroad, the sources said.

The government forces launched their offensive January 29 against military positions of the Khmer Rouge, which has refused to comply with the 1991 Paris Peace accords it signed with Phnom Penh and two other Cambodian factions.

Hun Sen proposed in his meeting with Akashi the creation of a buffer zone but other members of Cambodia's Supreme National Council objected to the idea, saying it would threaten the territorial integrity of the Southeast Asian nation.

According to UNTAC sources, Akashi will meet Foreign Minister Hor Namhong of the Phnom Penh government Saturday to urge restraint in "going it alone."

Since late last year Phnom Penh leaders have advised Hun Sen that their forces could take Pailin "within three days" but with relations worsening with SNC leader Prince Norodom Sihanouk, Defense Minister Tie Banh has advised against the attacks.

In confidential meetings with Akashi, however, Hun Sen has reportedly shown self-restraint but has told the chief U.N. peacekeeper, "we can topple Pailin in three days. Even our patience has limits."

Falt: Siem Reap CPAF 'Generally Uncooperative'
*BK0802104093 Hong Kong AFP in English 0856 GMT
8 Feb 93*

[Text] Phnom Penh, Feb 8 (AFP)—The U.N. Transitional Authority in Cambodia (UNTAC) said Monday that government troops were no longer making progress into Khmer Rouge zones, one week after UNTAC announced a significant government offensive.

However, government soldiers from the Cambodian People's Armed Forces (CPAF) in northwestern Siem Reap Province were being "generally uncooperative with peacekeepers from the Bangladeshi battalion, UNTAC spokesman Eric Falt said without giving specifics.

Small scale fighting continued in central Cambodia's Kompong Thom Province, he said.

"CPAF forces appear not to be progressing any more," he said.

Fighting in that area, in fact, has never ceased despite the presence of U.N. peacekeepers attempting to monitor a cease-fire ending the country's civil war.

UNTAC had announced one week ago the largest government offensive and the most significant cease-fire violation since peacekeepers deployed in Cambodia.

Diplomats and journalists who visited the front, however, said the fighting was on the same scale as that which had gone on since December.

UNTAC chief Yasushi Akashi had said the offensive exceeded the government's right to self-defense.

But government Defense Minister Tea Banh in a statement carried by the official news agency SPK said the fighting was within the government's rights.

"It is worth noting that the Khmer Rouge have planned to take over Kompong Thom provincial town so the CPAF has to take every possible means to defend the peaceful life of the people," the agency quoted him as saying.

SRV Forces 'Control' Communications Ministry
*BK0902085993 (Clandestine) Voice of the Great
National Union Front of Cambodia in Cambodian
2330 GMT 8 Feb 93*

[Text] According to informed sources in Phnom Penh, the Yuon [derogatory term for Vietnamese] have recently sent 62 new forces from Unit 54 to control the Communications Ministry of the Phnom Penh puppets. Their leader is called (Long) and their office is located at 68, Street 51, Phnom Penh.

This is clear evidence showing that the Yuon still exert, expand, and consolidate their control over the Yuon Phnom Penh regime's ministries, small and large alike, in all sectors and from top to bottom. The Phnom Penh

puppets are only a smokescreen while the Yuon are the real powerhouse, which completely runs all kinds of affairs in Cambodia.

Since UNTAC [UN Transitional Authority in Cambodia] announced that it would hold elections in May without controlling the five ministries and without giving the Supreme National Council [SNC] any role to play, old and new Yuon have become emboldened and have bolstered their forces and their organizations, both covert and overt, within the Yuon's puppet regime, puppet party, and puppet administration from top to bottom.

The Yuon aggressors, in connivance with the alliances inside and outside UNTAC, have basically used Yuon troops alone to force the environment of elections to bend to their one-party direction and to make other political parties become a force that ritualizes the ceremony of the elections and rubber stamps the puppet regime.

In such a situation, nobody is so stupid and goes so far as to put his head in the Yuon's guillotine. The Cambodian people inside and outside the country will never accept this since they need elections to be held in a safe and neutral political atmosphere where:

1. There are no Yuon aggressor forces still invading and occupying Cambodia;
2. The SNC has the role as the sole legitimate organization and source of power during the transition; and
3. UNTAC controls the five ministries.

KR Elements Said To Raid Bakan District Seat
*BK1002071693 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
9 Feb 93*

[Text] A group of 60-80 Khmer Rouge [KR] soldiers armed with B-40 rocket launchers and heavy guns raided the township of Bakan District in Pursat Province at 2315 on 8 February. Fearing a great loss of life and property, we reluctantly decided to retreat, allowing the Khmer Rouge soldiers to penetrate into the heart of the township. There they fired many B-40 rockets, burning some houses and killing or wounding a number of villagers. In the meantime, we cooperated with UNTAC [UN Transitional Authority in Cambodia] staff there in transporting injured victims to a hospital. After 40 minutes of fighting, those Khmer Rouge elements completely retreated.

As a result of the Khmer Rouge's above barbarous actions, 15 civilians were seriously wounded, two of our policemen and an UNTAC Indian policeman were slightly injured, and three villagers—including two children and an elderly man—were pronounced dead on arrival at the hospital.

Sihanouk Pays 'Homage' to France, Mitterrand

*BK0902084593 Phnom Penh SPK in French 0403 GMT
9 Feb 93*

[Text] Phnom Penh 9 Feb (SPK)—Prince Norodom Sihanouk paid an assured homage to France and its President Francois Mitterrand, who will this week embark on an official visit to Cambodia.

"We will never forget what President Francois Mitterrand has done and continues to do for Cambodia, its survival, and its rebirth," said Sihanouk in a communique cited by AFP.

Calling the French head of state an "historic initiator" of the Paris international conference, he added that "France's current aid is adequate and very useful for the rehabilitation and reconstruction of the Cambodian nation and country."

Cochaired by France and Indonesia, the Paris international conference culminated in the October 1991 peace accord which ended the nearly 13-years-old civil war in Cambodia.

Sihanouk, 70 years old, will leave Beijing Tuesday for Phnom Penh where he will receive Mitterrand on Thursday.

"The cloudless friendship uniting France and Cambodia, added Sihanouk, is an old and constant friendship existing since 1863," [quotation marks as received], date of the establishment of French protectorate.

He finally expressed satisfaction with Cambodia's Francophone attachment and wished for the development of an important cooperation in other sectors.

Sihanouk, who presides over the Supreme National Council grouping the four Cambodian factions, has stayed in Beijing for nearly three months where he receives medical treatment.

'Somber' Sihanouk Arrives in Phnom Penh 9 Feb

*BK0902082093 Hong Kong AFP in English 0803 GMT
9 Feb 93*

[Text] PHNOM PENH, Feb 9 (AFP)—Prince Norodom Sihanouk returned here Tuesday to host French President Francois Mitterrand later this week and to preside over a meeting of Cambodia's Supreme National Council (SNC).

A fairly somber prince and his wife Princess Monique landed at Pochentong Airport in a North Korean charter jet and greeted a long line of Cambodian officials and foreign ambassadors waiting in the blazing sun, including his son Prince Norodom Ranariddh, Khmer Rouge nominal leader Khieu Samphan, former prime minister Son Sann and Phnom Penh leaders Chea Sim and Hun Sen.

The civilian heads of the U.N. Transitional Authority in Cambodia (UNTAC), Yasushi Akashi and Behrooz Sadry, were also on hand.

"Oh, you know I am not pesssimistic, but I cannot say I am optimistic," Prince Sihanouk said when asked his opinion of the current impasse in the peace plan ending the country's civil war.

The plan has stalled due to the refusal of the Khmer Rouge to lay down their weapons or participate in the U.N.-run election until their conditions are met.

Those conditions include UNTAC's supervision of the withdrawal of Vietnamese forces that UNTAC cannot even find.

"I am going to try to struggle with difficult problems," the prince said before being hustled into his limousine by his burly North Korean bodyguards.

Asked if he would change his mind about running in presidential elections, the prince said he had already pronounced himself on the subject.

But Prince Sihanouk has changed his mind three times on whether he wants a presidential election.

His current stand is that he will probably not run, but that the elections must be held after the U.N.-organised general elections in May.

The SNC meeting scheduled for Wednesday morning planned to discuss the banning of gem exports from Cambodia, and the placing of a ceiling on sawn timber.

Prince Sihanouk, 70, has spent the last three months undergoing medical treatment in Beijing.

He is scheduled to leave Cambodia again in April for the 81st birthday of North Korean President Kim Il-Sung, one of his life-long friends.

Officials, Diplomats Greet Prince

*BK0902133893 Phnom Penh Samleng Pracheachon
Kampuchea Radio Network in Cambodian 1300 GMT
9 Feb 93*

[Text] His Royal Highness [HRH] Prince Norodom Sihanouk and the royal consort returned to Phnom Penh at 1320 on 9 February after spending a period of time in the PRC for medical treatment.

Greeting HRH Prince Norodom Sihanouk and the royal consort at Pochentong Airport were His Excellency [H.E.] Heng Samrin, honorary chairman of the Cambodian People's Party [CPP] Central Committee and chairman of the Council of State of the State of Cambodia [SOC]; H.E. Chea Sim, chairman of the CPP Central Committee and chairman of the SOC National Assembly; H.E. Hun Sen, vice chairman of the CPP Central Committee, chairman of the SOC Council of Ministers, and member of the Supreme National Council

[SNC]; their excellencies members of the Standing Committee of the CPP Central Committee—including H.E. Say Phuthang, vice chairman of the Council of State; H.E. Chea Soth; H.E. Sar Kheng, vice chairman of the Council of Ministers and interior minister; H.E. Say Chhum, vice chairman of the Council of Ministers; H.E. General Tie Banh, vice chairman of the Council of Ministers, defense minister, and SNC member; H.E. Kong Sam-ol, vice chairman of the Council of Ministers; Prince Norodom Chakrapong, vice chairman of the Council of Ministers; Men Sam-an, chairman of the Cambodian Federation of Trade Unions; H.E. Nguon Nhel, agriculture minister; H.E. Ney Pena, vice chairman of the Control Commission of the CPP Central Committee; H.E. General Sin Song, minister of national security; H.E. Sim Ka, chairman of the Phnom Penh municipal party committee and people's committee; and many leading officials, cadres, and personnel from various ministries and services.

H.E. Yasushi Akashi, UNTAC [United Nations Transitional Authority in Cambodia] chief; their excellencies SNC members; SNC secretaries; and diplomats and ambassadors representing various countries accredited to Cambodia were also present to greet the prince and the royal consort.

Sihanouk Chairs SNC Meeting in Phnom Penh

BK1002055793 Phnom Penh Samleng Pracheachon Kampuchea Radio Network in Cambodian 0430 GMT 10 Feb 93

[Text] The Supreme National Council [SNC] of Cambodia met under the chairmanship of His Royal Highness Prince Norodom Sihanouk, head of state and SNC chairman, and His Excellency [H.E.] Yasushi Akashi, head of the UN Transitional Authority in Cambodia [UNTAC], at Chan Palace at 0900 on 10 February. Attending the session were all their excellencies the members of the SNC, except for H.E. Son Sen of the Party of Democratic Kampuchea.

Also present were H.E. Behrooz Sadry, UNTAC deputy chief; H.E. Major General John Sanderson, commander of the UNTAC forces; and their excellencies the envoys of the five permanent members of the UN Security Council and the Indonesian representative in Cambodia.

The agenda of topics raised at this SNC session was:

1. The latest development.
2. The establishment of a neutral political environment:
 - A. Political violence and political intimidation; and
 - B. Political activities and political campaign.
3. Rehabilitation.
4. The preservation of Cambodia's natural resources:
 - A. Control over the export of sawn timber; and
 - B. Draft of a communique on the exploitation and export of minerals and precious stones.
5. The protection of Cambodia's cultural heritage.

6. The technical consultative committee:

- A. Border demarcations; and
 - B. Foreign residents and immigrants.
7. Miscellaneous issues.

Factions Criticize Each Other

BK1002055893 Hong Kong AFP in English 0448 GMT 10 Feb 93

[Text] Phnom Penh, Feb 10 (AFP)—UN peacekeepers and Cambodian factions criticized each other at the start of Wednesday's Supreme National Council (SNC) meeting, the former for the violence sweeping the country and the latter for the UN inability to stop it.

UN Transitional Authority in Cambodia (UNTAC) chief Yasushi Akashi said "much remains to be done" in creating a neutral political environment before elections can be held in May.

He called on the local Phnom Penh government authorities who abducted members of the royalist FUNCINPEC party in Battambang Province 10 days ago to release them or to state on what charge they are being held.

The men were all recent returnees from refugee camps in Thailand, Akashi said.

He also referred to an overnight attack on the provincial capital of Siem Reap, in which an Australian signaller returned fire at attacking gunmen.

"Whatever motive there may be, it is certainly in the interest of all Cambodians that these incidents be stopped forthwith," he said.

The SNC was due to consider banning precious gem exports from Cambodia, and place a ceiling on sawn timber—the export of which has increased exponentially since a ban on raw logs was imposed in January.

Khmer Rouge nominal leader Khieu Samphan read a statement blasting UNTAC, saying that in the last month the general situation in the country "continues to deteriorate and worsen."

"We have always declared that UNTAC alone, notwithstanding its goodwill, cannot and will not be able to carry out its mandate without close cooperation with the SNC," he said to the leaders of the four Cambodian factions, UNTAC officials and diplomats crammed in the hot, stuffy room at the Royal Palace.

He condemned UNTAC's attempt to hold an election in May, charging that Vietnamese agents "continue to rule all the administrative and political apparatus of the Phnom Penh party ... down to the commune and village level."

The Khmer Rouge have refused to participate in the election or cooperate with UN peacekeepers implementing a peace treaty, claiming that the SNC is monopolized by foreigners and that Vietnamese still occupy the country 14 years after they invaded to oust the Khmer Rouge.

UNTAC says it can find no Vietnamese troops still in the country.

"The Phnom Penh party is nothing but the tip of the 'Vietnamese' iceberg, that is, a secret state network of Hanoi installed in Cambodia and which has continued since the signing of the Paris agreement to pull the strings of the country's affairs," Khieu Samphan said.

"The present rulers of Phnom Penh are all window dressing."

Former Prime Minister Son Sann, who heads the right-wing Khmer People's National Liberation Front (KPNLF), supported Khieu Samphan's assertion.

"The Phnom Penh party, supported by the Vietnamese cadres and special police forces, continues to harass, intimidate, and kill members and supporters of other opposition political parties," he said.

He said 23 members of the KPNLF have been killed so far, while the FUNCINPEC party loyal to Prince Norodom Sihanouk claims to have lost 21 members since November to political violence.

"After repeated requests from the KPNLF president for the dismantling of the Phnom Penh special forces, believed to be controlled by Vietnamese cadres, UNTAC is unable to give so far satisfactory responses," Son Sann said.

The SNC groups the four Cambodian factions under UN supervision, and is meant to represent Cambodia's sovereignty while UNTAC controls the key areas of governance.

SNC Bans Precious Gems Exports

BK1002082993 Hong Kong AFP in English 0818 GMT 10 Feb 93

[Text] Phnom Penh, Feb 10 (AFP)—Cambodia's Supreme National Council (SNC) on Wednesday banned exports of precious gems over the objections of the Khmer Rouge, a UN spokesman said.

In what everyone leaving the four-hour meeting called a "confusing" decision, it appeared that SNC chairman Prince Norodom Sihanouk had overruled the objection from Khmer Rouge nominal leader Khieu Samphan and adopted the ban, UN spokesman Eric Falt said.

Enforcement Onus on Thai Military

BK1002100693 Hong Kong AFP in English 0838 GMT 10 Feb 93

[Text] Phnom Penh, Feb 10 (AFP)—Cambodia's Supreme National Council (SNC) on Wednesday banned exports of precious gems over the objections of the Khmer Rouge, a U.N. spokesman said.

Cambodia's western mountains hold rich deposits of rubies and sapphires, which earn a million dollars a month for the Khmer Rouge guerrilla faction.

In what everyone who exited the four-hour meeting called a "confusing" decision, it appeared that SNC chairman Prince Norodom Sihanouk had overruled the objection of Khmer Rouge nominal leader Khieu Samphan and adopted the ban, U.N. spokesman Eric Falt said.

The U.N. Security Council had urged the SNC to adopt the gem ban as a means of pressuring the Khmer Rouge into cooperating with peacekeepers trying to implement a peace treaty ending the civil war.

As of February 28, the ban will cover "commercial extraction of mineral resources on land and offshore, and the export of minerals and gems from Cambodia, excluding the mining of materials for rehabilitation and reconstruction," Falt said.

A technical advisory committee to the SNC, which the Khmer Rouge have refused to join, will make clear definitions of what can still be mined and will inventory the country's natural resources, Falt said.

The onus of enforcing the ban would be on the Thai military, which controls the border with Cambodia.

U.N. peacekeepers have no access to the border in Khmer Rouge areas, and the radical faction controls a 200 kilometer (125 mile) stretch. Thousands of Thais are employed as gem miners in Khmer Rouge territory.

Commentary: Mitterrand Visit Benefits Vietnamese

BK1002014693 (Clandestine) Voice of the Great National Union Front of Cambodia in Cambodian 2330 GMT 9 Feb 93

[Station commentary: "What Is the Political Purpose of French President Francois Mitterrand's Visit to Vietnam and Phnom Penh?"]

[Text] 1. The general public is well aware that the Mitterrand government's consistent policy toward Cambodia has been to deal with one party. In other words, the policy is aimed at assisting the Yuon [derogatory term for Vietnamese] in their ongoing invasion of Cambodia and in their continued opposition to all of the Cambodian national resistance forces [CNRF].

2. French President Mitterrand's theory is that there is no problem with Cambodia's belonging to the Yuon

since France has relations with the Yuon and the Yuon's Cambodians and is doing business with both of them.

3. In light of the significance of the aforementioned issues, France has conducted all kinds of business and all manner of maneuvers, both inside and outside, on the Cambodian problem aimed at eradicating the CNRF and helping the Yuon aggressors and their puppets. As such, France's intent runs counter to and violates international law, the UN Charter, human rights, and the rights to self-determination of the people of a country.

4. What is the purpose of French President Mitterrand's visit to Vietnam and Phnom Penh? It is to:

- a. Assist the Yuon in their general affairs.
- b. Assist the Yuon in the Cambodian problem with diplomatic and military support.

The general public is waiting to see what the military activities and diplomatic maneuvers on the Cambodian problem will become after the visit of the French president. However, the general public is aware that the Yuon war of aggression against Cambodia has lasted for 14 years since 25 December 1978. The situation is already well understood, so the Yuon cannot carry on war or cannot be emboldened to continue the war at will, because the Cambodian nation and people and the CNRF want peace and independence. Likewise, the people in Southeast Asia and the world also want peace within the framework of their independence and neutrality. As such, those wanting to inflame the war will certainly be condemned by the Cambodian people, the people in Southeast Asia and Asia as a whole, as well as peace- and justice-loving people the world over.

Government Admits Officials 'Might Be' Culprits

BK0902050293 Hong Kong AFP in English 0447 GMT 9 Feb 93

[Text] Phnom Penh, Feb 9 (AFP)—The Phnom Penh government admitted for the first time Tuesday that its officials might be the culprits in harassment and assassinations of its political opponents.

"We don't rule out this kind of possibility," senior government advisor and deputy minister Khieu Kanharit told a press conference.

He said Phnom Penh Prime Minister Hun Sen went to eastern Svay Rieng Province on a fact-finding mission to determine the situation himself.

He was also considering a trip to northwestern Battambang Province, which has been the hardest hit by political violence, Khieu Kanharit said.

Since November, the opposition FUNCINPEC [National United Front for an Independent, Neutral, Peaceful and Cooperative Cambodia] claims to have had 21 members assassinated, dozens injured in attacks and others led away blindfolded by government soldiers.

"Hun Sen is determined to curb down all this violence," Khieu Kanharit said, adding that the prime minister would meet "with local officials to explain and give orders that they have to do everything possible to provide security for (opposition) political offices."

Previous public declarations from the government have blamed Khmer Rouge infiltrators for the violence.

However, the U.N. Transitional Authority in Cambodia (UNTAC) is attempting to prosecute a government policeman for the murder of a FUNCINPEC party worker.

The case, along with that of a Khmer Rouge guerrilla charged with murdering ethnic Vietnamese, has been held up over legal wrangling.

"There is a wrong conception that we are still trying to block the procedure," Khieu Kanharit said. "It's not true."

He said the government and UNTAC were negotiating over changes to the law allowing a change in venue for the trials.

Previously, the government would not allow the cases to be tried in Phnom Penh, claiming only the provinces have jurisdiction. UNTAC fears a fair trial would be impossible outside the capital.

UNTAC had considered bringing in foreign judges to try the cases after Phnom Penh judges refused, but Khieu Kanharit said Cambodians remembered the days of French governance and French magistrates and would not accept it.

The government would, however, accept the advice of foreign lawyers brought in by UNTAC, he said.

Thai General Wimon Visits, Comments on Fighting

BK0902134993 Bangkok Army Television Channel 5 in Thai 1200 GMT 9 Feb 93

[Text] Army Commander General Wimon Wongwanit and his delegation are on a visit to Cambodia. They were received by Lieutenant General [Lt. Gen.] Sanderson, commander of the UN Transitional Authority in Cambodia [UNTAC], upon their arrival at Pochentong Airport in Phnom Penh and escorted to review the UNTAC honor guard. The Thai delegation then proceeded to the UNTAC headquarters to pay a courtesy call on Yasushi Akashi, the special representative of the UN secretary general, and to receive a briefing on the UN role in Cambodia. The Thai Army commander and the UNTAC commander exchanged views on the fighting in Cambodia and the diverse opinions about the presidential election. The Army commander then greeted the Thai Army contingent assigned to the UNTAC headquarters, encouraging the soldiers to uphold the task and duties of being representatives of the Thai Army to work with the UNTAC to restore peace.

The Thai delegation then visited the Second Engineering Task Force, which is building highways and infrastructure in Cambodia, to listen to their problems and progress. The Army commander asked the Thai personnel to perform selflessly in order to enhance Thailand's image.

Before returning, the Army commander also visited the First Engineering Task Force Battalion in Poipet, which is building highways and disposing of the explosives on Highway 5 between Poipet and Sisophon. The commander thanked the soldiers for their conduct, which is suitable for those who are representatives of the Thai Army, in restoring peace in the region and for the Cambodian people.

[Begin Wimon recording] Lt. Gen. Sanderson tried to emphasize that the situation in Cambodia is not as serious as many of you think. There have been sporadic light clashes. Your reports, however, have been exaggerated, causing many people to be frightened. The most important thing is that the reports will scare away prospective investors. The fighting in Cambodia is not that acute. [end recording]

UN Trooper Returns Fire in Siem Riep Incident

*BK1002034993 Melbourne Radio Australia in English
0300 GMT 10 Feb 93*

[Text] An Australian member of the United Nations peacekeeping force in Cambodia returned fire at a gunman who attacked the tourist town of Siem Riep overnight.

The incident comes just two days before the arrival of French President Francois Mitterrand. The attack left two Cambodians dead and ten injured, but no United Nations personnel were among the casualties.

UN spokesman, Eric Falt, said the attack raised concerns about the security of the Mitterrand visit, particularly as the French president is due to visit Siem Riep with Prince Norodom Sihanouk on Friday.

Mr. Falt said about 20 to 30 unidentified gunmen entered the town, apparently on motorbikes and started firing indiscriminately with automatic weapons, B-40 rocket propelled grenades and hand grenades. The gunmen looted several Cambodian houses and fired at a prefab structure where five Australian radio signallers were located. One of the Australians returned fire at a gunman attacking the building from a ditch.

Extra Security Measures Taken for Mitterrand

*BK1002133993 Hong Kong AFP in English 1314 GMT
10 Feb 93*

[By Sheri Prasso]

[Text] Phnom Penh, Feb 10 (AFP)—An Australian U.N. peacekeeper returned fire at gunmen who attacked the Cambodian tourist town of Siem Riep early Wednesday,

two days before the arrival of French President Francois Mitterrand, U.N. officials said.

The attack at 1:30 A.M. left two Cambodians dead and 12 people injured, including a Portuguese tourist and an Indian peacekeeper, U.N. spokesman Eric Falt said.

Both were grazed in the head by AK-47 fire but not seriously injured. The Indian peacekeeper, a medic at the U.N. field hospital, was asleep in his bunk when he was shot. The Portuguese tourist had gotten up to look out his window at the Grand Hotel when the bullet came through the glass, Falt said.

The gunmen wearing "mixed uniforms" went on an "indiscriminate rampage of 30 to 40 minutes duration," U.N. peacekeeping chief Yasushi Akashi said at the opening of a Supreme National Council (SNC) meeting here.

The attack raised concerns about the security of Mitterrand's visit, who is due to visit Siem Riep with Prince Norodom Sihanouk on Friday.

Diplomats said the visit was likely to go on as scheduled, and the peacekeeping force commander Lieutenant General John Sanderson said extra security measures would be taken.

Several violent attacks have taken place previously around the Siem Riep area, but this was the first in the city itself.

French Deputy Commander Brigadier General Robert Rideau and Sanderson said they discussed the issue.

"We feel we needed more information, but our initial impression was, yes" the Mitterrand visit should go ahead, Sanderson said.

Siem Riep is the home of the 11th century Angkor temples, the symbol of Khmer civilization. Thousands of tourists visit it every year.

"The attackers engaged in acts of robbery and terror," Akashi said. "I regard this situation with the utmost seriousness."

The attack "marks the continuation of such violence in the vicinity of Siem Riep where there have been such incidents in the past month," he said.

About 20 to 30 unidentified gunmen entered the town, apparently on motorbikes, and started firing indiscriminately with automatic weapons, B-40 rocket-propelled grenades and hand grenades, Falt said.

"The first reports indicate the firing was to intimidate and harass," he said.

The gunmen looted several Cambodian houses and fired at the pre-fab structure where five Australian radio signallers were located, he said.

One of the Australians returned fire at a gunman attacking the building from a ditch, Falt said. Neither were injured.

One U.N. vehicle was also damaged. No political party offices were attacked, Falt said.

It was the first reported incident of U.N. personnel returning fire in an attack, but Falt said it had happened once previously without being publicly reported.

A French soldier serving in the southern province of Kampot had returned fire at a Cambodian in January, Falt said, adding that he did not have details of the incident.

AFP Reports Itinerary of France's Mitterrand

BK0902064193 Phnom Penh SPK in English 0419 GMT 9 Feb 93

[Text] Phnom Penh SPK Feb. 9—President Francois Mitterrand leaves this week for landmark visits to Vietnam and Cambodia with the dual purpose of consolidating peace and bringing back into the international economic system these two countries shattered by decades of war, reports AFP.

In Vietnam where he will stay from Tuesday until Thursday, the visit will be especially significant in that Mitterrand is the first Western head of state to visit the country since the end of the French Indochinese war in 1954.

A spokesman for the French Presidency said Mitterrand also hoped to contribute to the advance of democracy in Vietnam and in Cambodia where the United Nations is supervising the difficult transition to democratic government from a long period of war and communist rule.

Mitterrand's itinerary will include a "commemorative" visit to Dien Bien Phu where the French Army was routed in May 1954 in a battle which precipitated the French withdrawal from Vietnam.

A presidential spokesman said Mitterrand's visit would "signal France's return to the Indochina scene."

Cambodia, which Mitterrand will visit on February 11 and 12, last welcomed a French head of state in 1966 when General Charles de Gaulle delivered a hard-hitting speech in Phnom Penh denouncing the U.S. military intervention in Vietnam.

This time, Mitterrand will devote his energies to seeking the best ways of helping Cambodia rebuild democracy on the ruins left by war, the genocidal Khmer Rouge dictatorship of the late 1970s, and by the guerrilla war which followed the Khmer Rouge overthrow by a communist regime.

Mitterrand strongly supports the UN-backed peace plan enshrined in the 1991 Paris accords and which calls for election of a constituent assembly in May.

France restored diplomatic relations with Vietnam in 1989 following the withdrawal of Vietnamese troops from Cambodia. Since that time, French bilateral aid in the form of donations has rocketed from five million francs (one million dollars) to 180 million francs (36 million dollars) last year.

Mitterrand will be accompanied on his tour by six ministers and a delegation of businessmen already established in Vietnam or who wish to move in; they include the chairmen of the Roussel-Uclaf pharmaceutical firm and the oil firm Total.

Laos

President Receives ASEAN Parliamentary Group

BK1002060793 Vientiane Vitthayou Hengsat Radio Network in Lao 0000 GMT 10 Feb 93

[Text] Yesterday afternoon, His Excellency President Nhouhak Phoumsavan, received at the Presidential Office in Vientiane a courtesy call from the delegation of the ASEAN Inter-Parliamentary Organization, led by His Excellency Tan Sri Mohamed Zahir Ismail, its chairman. In the meeting, which proceeded in a friendly atmosphere, His Excellency President Nhouhak Phoumsavan welcomed the delegation's visit to Laos, one he said which has promoted mutual understanding and also significantly contributed to the strengthening of friendly relations and cooperations between Laos and the ASEAN member countries. The visit, he noted, is a new milestone in these relations and cooperation. His excellency the president also expressed the hope that the friendly relations and cooperation between Laos and the ASEAN countries, as well as between the ASEAN member countries themselves, will be further promoted and widely expanded on the basis of the maintenance of peace and stability for the benefit of the people of each country.

On this occasion, his excellency chairman of the ASEAN Inter-Parliamentary Organization expressed his belief that the relations and cooperation between Laos and ASEAN countries will be fruitfully enhanced.

The delegation left for a visit to Luang Prabang Province on the morning of the same day. In Luang Prabang, it was warmly welcomed by the governor along with other provincial leaders.

Phao Bounnaphon Addresses Tourism Seminar

BK0902091393 Vientiane Vitthayou Hengsat Radio Network in Lao 0500 GMT 9 Feb 93

[Text] Phao Bounnaphon, minister and head of the Prime Minister's Office, presided over the first meeting on the promotion of investment in tourism in the Lao People's Democratic Republic [LPDR], which was held in Vientiane on the morning of 8 February.

Participating in the meeting were representatives of tourist firms and agencies from both the government and private sectors in Vientiane and local tourism services of the Provinces of Xieng Khouang, Luang Prabang, Vientiane, Khammouane, Savannakhet, and Saravane. A total of more than 70 Lao-based government officials and representatives of international organizations and foreign delegates including those from the United States, Australia, France, Thailand, India, and Indonesia, also attended.

Phao Bounnaphon said that tourism is a branch of service business contributing to the growth of the Lao economy. The government has therefore encouraged investment for infrastructural development, which is conducive to tourism promotion in Laos, provided it suits the conditions of the country. This is because the Lao Government has laid down policies on tourism focusing in visits to natural beauties, landscape, and cultural attractions. Tourism certainly has earned income for several countries in this region and the world. At the same time, however, it also brought them considerable negative effects. Earning income is important for Laos, but it must never destroy the country's invaluable and beautiful culture, tradition, and environment, which are priceless heritages that we are obliged to protect as long as possible for the interest of all people.

Phao Bounnaphon stressed that tourism in Laos has not yet developed as much as in other countries, but Laos is still very rich in tourist attractions—both cultural and natural. These attractions have not yet been utilized as much as they should be for public benefit. Laos wishes to become a country in the region that also enjoys significant progress and development in tourism. Over the past several years, steps of development have been made in terms of cooperation between the government and the region, and the building of economic foundation. In due course, tourism business in Laos has made a good start and looks to have bright prospects in the future, he remarked with confidence.

The meeting will continue for three days during which the participants will discuss, exchange views, and draw experiences in various issues. The topics of discussion will include the importance of investment in hotel and tourism businesses as part of the country's comprehensive project for the promotion of foreign investments in the LPDR; the benefit from tourism investment for the LPDR; tourism promotion and cooperation in Laos; the protection and expansion of tourism, hotel, and tourist services as well as other issues related to tourism investment promotion.

Philippines

U.S. Consultants' Departure Blocked

HK1002104793 Manila DZXL Radio Mindanao Network in Tagalog 0700 GMT 10 Feb 93

[Text] Attorney Avilo Olivares of the Bureau of Immigration and Deportation [BID] has issued a hold-departure order against seven U.S. consultants of the

Department of Public Works and Highways [DPWH] who refused to testify before the Senate on the alleged anomalies in the rehabilitation of Central Luzon. This follows a request by Senator Ernesto Maceda for the BID to stop the scheduled departure of these seven members of U.S. Army Corp of Engineers. The seven consultants were identified as Avery Fullerton, consultant of the U.S. Army Corps of Engineers; Michael Stan, project manager; Carl Ericson, hydrologist; (Rick Hanan), soil engineer; Monty Pierson, sedimentation expert; (John Stofkopler), project manager and coordinator; and Michael Ross, environmental coordinator.

During a hearing by the Senate Blue Ribbon Committee [SBRC], DPWH Director Florante Soriquez, head of the Mt. Pinatubo Rehabilitation Project Office, confirmed that the seven U.S. consultants were hesitant to appear before the SBRC because they were afraid the U.S. Army Corps of Engineers might be dragged into the multimillion peso fraud surrounding the Mt. Pinatubo Rehabilitation Project. He also said the U.S. consultants will appear before the SBRC only if they are not asked to make any sworn statements. He stressed that based on Department of Foreign Affairs regulations, the consultants cannot be forced to appear before any SBRC investigation under the Foreign Assistance Act.

Foreign Secretary To Visit PRC for Trade Talks

HK1002061093 Manila THE MANILA CHRONICLE in English 10 Feb 93 p 9

[Text] Foreign Secretary Roberto Romulo is going on an official visit to China later this month, the latest in a series of trips that allows him to touch base with leaders of regional powers and review the country's bilateral ties with them.

Romulo's trip to China will be from February 17 to 21, barely two months before President Ramos' scheduled state visit to China in late April.

In an interview Romulo said he looked forward to discussions with Beijing on matters of trade and investment and regional security. He was invited by the Chinese foreign ministry.

During his trip, Romulo will also travel to Shanghai, a bustling port south of Beijing. China's economic growth reached 12 percent last year mainly due to its booming southern areas.

Included in the talks between Romulo and Chinese officials is a mechanism to address the trade imbalance with China, an outstanding issue between Manila and Beijing.

In 1988, the Philippines' trade deficit with China hit \$170 million where 70 percent of Manila's imports were Chinese crude oil and energy products. The figure dipped to \$50 million in 1991.

Other topics of discussion may include the Philippines' hosting of a discussion on marine scientific research in the Spratlys and Chinese investment in Philippine energy projects.

Asked if he would touch on the Spratlys, Romulo said: "Why not? We can tell them about our hosting the informal working group meeting on marine research."

During bilateral consultations last year, Beijing told visiting Filipino officials that China had no "warlike intentions" in the South China Sea.

China has evoked concern among some Filipino officials about its enforcement of sovereignty claims and military modernization program. It has also denied it was reportedly planning to acquire an aircraft carrier.

In last year's consultations, Beijing pledged to take a "second look" at buying more goods from the Philippines to improve the trade balance between the two countries.

Paper Views Ramos' Planned Overseas Trips

HK0802104893 Manila THE MANILA CHRONICLE in English 6 Feb 93 p 7

[Report by Manny Mogato]

[Text] President Ramos, upon the invitation of Emperor Akihito, will visit Japan from March 9 to 13 for talks which are expected to focus on regional security issues.

It will be the first of three overseas trips the President will make in an effort to lure more trade and investments and enhance the country's bilateral ties with its traditional allies.

After his five-day state visit to Japan, his fifth trip as Chief Executive, Mr Ramos will also visit China in April, the United States in May, and Indonesia in June.

Malacanang said these trips would emphasize the government's economic diplomacy as the President would attempt to sell the country as a viable investment and tourism site.

Foreign Secretary Roberto Romulo, now in Tokyo, told reporters that Manila was supporting Japanese Prime Minister Kiichi Miyazawa's call for a political and security dialogue among Asia-Pacific nations.

During his talks with Miyazawa and other leaders, Mr Ramos would raise the issue of "comfort women" forced into prostitution by the Japanese Imperial Army during World War II.

The President is expected to propose the setting up of a foundation to provide financial support to surviving "comfort women" as a way for Japan to express its remorse.

On Thursday, Romulo said Japan had expressed regret for the first time about the Filipino "comfort women."

The President yesterday said the official apology extended by the Japanese government to the Filipino victims "will start a healing process."

In Tokyo, Mr Ramos will have an audience with Emperor Akihito and Empress Michiko as well as economic organizations like the Kendairen.

Several joint ventures between Filipino and Japanese business companies are also being finalized for signing during the President's visit.

Among the issues that would be raised during the visit are the plight of Filipino workers, especially Filipina entertainers, who have no working visas.

Regional security issues, bilateral economic cooperation and the inflow of Japanese official development assistance (ODA) will also be raised.

1992 Real Agricultural Output Down Slightly

HK1002064093 Manila BUSINESS WORLD in English 10 Feb 93 p 14

[Text] The agriculture, fishery, and forestry sector contracted by 0.85 percent last 1992 as its gross value added (GVA) declined in real terms to P160.81 billion [Philippine pesos].

In particular, the contraction was brought about by the 41.93 percent decline in the real output of the forestry group. Owing to the selective ban imposed on commercial logging, the group's GVA fell to P3.86 billion last year from P6.64 billion in 1991 and P7.32 billion in 1990.

Meanwhile, the agriculture industry posted a minimal 0.9 percent growth. Agricultural production was measured at P124.69 billion while the real output in the fishery sector was at P32.27 billion.

Constraints

Growth in agriculture was constrained by the drought and reduction in area planted to major crops. In particular, palay [rice] production was down 5.77 percent to P24.33 billion while corn output fell 2.9 percent to P10.26 billion. Production of these groups was largely affected by the Mt. Pinatubo eruption.

The biggest growth was posted by poultry at 10.65 percent to P13.8 billion.

Banana production also posted growth at 3.65 percent to P2.78 billion due to relatively favorable weather and boosted demand abroad.

GVA in Agriculture, Fishery & Forestry			
In million pesos at constant 1985 prices			
Industry/Industry Group	1992	1991	1990
1. Agriculture Industry	156,953	155,553	153,414
A. Agriculture	124,686	123,573	122,631
Palay	24,332	25,821	24,873
Corn	10,261	10,567	10,950
Coconut including copra	6,860	6,782	7,084
Sugarcane	4,022	4,141	3,652
Banana	2,782	2,684	2,698
Other crops	37,292	36,245	36,613
Livestock	17,188	17,043	16,854
Poultry	13,795	12,467	12,215
Agricultural activities and services	6,154	7,823	7,692
B. Fishery	32,267	31,980	30,783
2. Forestry	3,856	6,640	7,320
Gross Value added in Agriculture, Fishery & Forestry	160,809	162,193	160,734

Source: National Statistical Coordination Board

Paper Discusses Effective Use of Foreign Aid

HK1002052093 Manila THE MANILA CHRONICLE
in English 10 Feb 93 p 4

[Editorial: "Japan Sends A Discreet Signal"]

[Text] One month before President Fidel Ramos visits Tokyo, Japanese officials have called attention anew to what they consider the Philippines' low absorptive capacity for aid. The gesture might be read as a discreet signal, possibly an indication of dropping Japanese aid levels over the near term.

Since 1986, when official development assistance (ODA) to the Philippines increased dramatically as a response to the expulsion of a corrupt regime, we have had difficulty absorbing aid packages. Many factors contribute to that difficulty. Foreign assisted projects are often held up by a slow bureaucracy, long project planning phases, extensive environmental impact assessments, intricate consultations with affected communities and, at times, long legal battles put up by oppositors. Accounting procedures and disbursement schedules of the donor countries and beneficiary governments are not perfectly synchronized. Sometimes development projects become entangled in political play.

The complicated processing of ODA, slow project planning and implementation, strong political lobbies and the poor orchestration of multi-agency efforts often combine into an exasperating bottleneck. That aid bottleneck prevents us from taking full advantage of international generosity and delays the positive effects development projects bring to our economy.

The most important factor limiting our absorptive capacity has been in the aspect of raising the counterpart funding required to set the foreign-assisted projects into motion. Foreign aid is not free. A large portion of the ODA agreed upon in bilateral negotiations involve counterpart funding by the beneficiary government.

Congress, which holds the power of the purse, reviews budgetary allocations for counterpart project funds. While we have automatic allocations to service the debt, foreign-assisted programs do not enjoy the luxury of merely ministerial congressional involvement. Congressional scrutiny adds to the shelf life of many project plans.

Our ability to raise enough counterpart funds has always been problematic. Saddled with tight deficit ceilings, unable to introduce new revenue measures because of political resistance and constantly under pressure to hold down inflation rates, we have lost many potential foreign-assisted projects because of the unavailability of counterpart funding.

Our planners and policy-makers are often caught in an ironic situation: We need the foreign-funded projects to pull up our productivity and raise incomes but we don't have the ready funds to access the offered assistance. The situation is akin to that of an entrepreneur with strong market demand for his product but without the capital to create the products in the first place. It is a frustrating situation.

It is, no doubt, an exasperating one as well for the donor governments.

Government is currently speeding up project implementation and unclogging the bottlenecks. But this is hampered by limited budgetary resources, strong pressure to allocate funds for social services, a heavy debt service load, emergency allocations for relief and rehabilitation of areas hit by calamity, and a small revenue base.

In the meantime, donor governments such as Japan's face increasing pressure to re-allocate aid resources either to countries that are clearly in greater need or countries that have become increasingly important to Japan's strategic foreign policy goals.

As Japan moves to take her place as a major player in world affairs, she will have to spread out her aid resources to an increasingly diverse range of countries from Africa, to Latin America to the former Soviet republics. Tokyo has recently taken steps to expand assistance to China and Russia, two countries of immediate and immense importance to Japan. A controversial peace-keeping operation is now in Cambodia, and Japanese aid technicians are all over mainland Southeast Asia, advance guards for future trade partnerships.

It is inevitable that past aid commitments to countries such as the Philippines will decline, at least as a proportion of the whole. Poor absorptive capacity provides a convenient excuse for reducing assistance without losing friends.

We cannot argue for present aid levels to be maintained simply on the grounds of need. There is dire need of them elsewhere, too. The best argument is better absorptive capacity.

Official Reports 'Flat' Economic Results

HK0802060093 Manila PHILIPPINE DAILY INQUIRER in English 6 Feb 93 p 17

[Report by Juan V. Sarmiento Jr.]

[Text] The economy, weighed down by power outages and the government's belt-tightening measures, remained flat last year, a repeat of the dismal 1991 record, Socioeconomic Planning Secretary Cielito Habito said yesterday.

He said the gross domestic product (GDP) for 1992 shrank by 0.04 percent, and that the gross national product (GNP) managed to inch up by only 0.62 percent, mainly because of the remittances from overseas contract workers, according to preliminary figures.

GDP refers to the total value of goods and services produced in the country in a year while GNP is the sum of GDP and income from abroad.

The economy's 1992 performance was hardly an improvement over that of 1991 when the GDP posted a -0.65 percent growth and GNP posted a +0.23 percent growth.

With a population growth higher at 2.2 percent last year, per capita GDP (GDP divided by the population) actually shrank to P11,087 [Philippine pesos] from P11,334 in 1991, and per capita GNP (GNP divided by the population) to P11,317 from P11,494 in 1991.

With the dismal economic performance, Habito was emphatic that the country could no longer afford to keep inflation down at the expense of growth as prescribed in the economic stabilization program by the International Monetary Fund.

He said the National Economic and Development Authority, which he heads, is pushing for increased public works spending by the government to help spark life into the economy.

"We are determined to negotiate for a 4.5 percent growth target and 7.5 percent inflation rate" for 1993, Habito said.

On the other hand, the IMF, from which the Ramos administration is seeking an \$800-million facility, is advising the government to target a 2.0 percent inflation rate by year-end, a rate comparable with the country's ASEAN neighbors.

But the 2.0 percent inflation rate target would "choke" the economy, as the past two years had shown, Habito said.

"A very low inflation rate target will result in a significant money supply constriction," he said.

Habito said the Ramos administration was sticking to its target of an average 7.5 percent growth rate from 1993 to 1998.

But that growth rate assumes that the festering power problem would have been solved by September and the peace and order situation vastly improved.

Central Bank Reveals \$30-Billion Foreign Debt

HK0902052893 Manila BUSINESS WORLD in English 9 Feb 93 p 5

[Text] The country's total foreign debt totalled \$29.828 billion, or roughly P745.7 billion [Philippine pesos], as of last October, declining by only 0.42% from the \$29.956-billion liabilities registered at the end of the preceding year.

Based on Central Bank (CB) data released yesterday, the slight reduction was due to various debt-reduction schemes effected by the Government, specifically the debt buyback scheme with the foreign commercial banks completed last July, as well as the dutiful servicing of our debt repayment schedule.

As of last December, the National Government spent P30.634 billion for interest and principal payments of these loans.

However, gains from the debt-restructuring and debt-repayment schemes were quickly offset by additional medium- to long-term loan availments, specifically from the World Bank and Japan's Overseas Economic Cooperation Fund, as well as from adjustments made in the foreign exchange rate fluctuation.

Medium- to long-term maturity loans were reduced to \$24.526 billion from \$25.129 billion.

As for the short-term loans, \$4.992 billion, out of \$5.302 billion, was siphoned for import agreements.

The biggest borrower remains the National Government which cornered \$19.375 billion or 64.95% of total foreign debt. It was followed by private corporations, whose aggregate loans reached \$4.356 billion.

Other borrowers are the Central Bank, with a \$4.047-billion debt, and private financial institutions, with \$2.048-billion liabilities.

As for the creditors' profile, bilateral loan agreements have the largest share of total debts; followed by loans from foreign banks and other financial institutions, \$9.586 billion; and multi-lateral agencies, \$7.051 billion.

As of last Dec. 22, domestic debt stock totalled P514.34 billion.

Mindanao Power Line Sabotaged Before Ramos Visit

HK1002040493 Manila THE MANILA CHRONICLE in English 10 Feb 93 p 1

[Report by Katherine Espina and Herbie Gomez]

[Text] Cagayan De Oro City—Marawi City and Lanao del Sur were left without electricity after two transmission towers of the National Power Corp (Napocor) were sabotaged between Monday night and dawn yesterday, the eve of President Ramos' visit there.

The President was expected in Marawi City this morning precisely to inaugurate the 80-megawatt [MW] Agus I hydroelectric plant in Lanao del Sur, which was linked to the sabotaged lines. The plant has been opposed by groups who feared it would kill Lake Lanao, a rich source of marine life, irrigation, and power.

In Manila, Napocor president Pablo Malixi promised to restore power in Marawi City in time for the President's arrival. The repair should take only six hours, he said.

He also said he would ask local officials to sign a memorandum of agreement requiring the municipality or province in whose jurisdiction the towers fall to pay for the repair.

Emmanuel Abellanosa, Napocor transmission line manager for northeastern Mindanao, said the wooden tower in barangay Abaga, in Marawi, supporting a 69-kilovolt wire had been sawed off and the bolts of a steel tower

supporting a 138-kilovolt line near the Agus II plant in Saguilaran, Lanao del Sur, were loosened.

Napocor estimated the damage to reach P1 million [Philippine pesos].

In Malacanang, Presidential Spokesperson Annabelle Abaya said the president would push through with the visit. "As far as the president is concerned, it's go," she said.

Another palace official said Mr Ramos made light of the incident, saying, "That's their way of greeting me there."

A multisectoral group called the Save the Lake Lanao Movement (Sallam), headed by the Lanao del Sur vice governor himself, Omar Umbar, has been demanding a stop to the operation of Agus I.

The government has gone on with the project to end the power crisis in Mindanao, which has been having five-four daily brownouts.

During his visit, Mr Ramos is expected to meet with leaders of Sallam to explain the importance of the power plant. Last month, Sallam members threatened to put up a barricade of sandbags around Agus I plant to stop its operation. That would mean depriving the Mindanao grid of an additional 40 MW.

Agus I had been scheduled to open Jan. 17, but Sallam asked that the opening be postponed until after its leaders had met with the President.

Malixi expressed optimism that Mr Ramos' visit would help ease tension between the Napocor and Sallam.

The Agus plants have a combined capacity of 700 MW, but only 200 MW is now being supplied to the Mindanao grid because of the low water level.

Thailand

Dalai Lama To Campaign for Suu Kyi's Release

BK1002041193 Bangkok THE NATION in English 10 Feb 93 p A1

[Text] The Dalai Lama has confirmed his participation in a Nobel Peace laureates' mission that will be in the country next week to campaign for the release of Burmese opposition leader Aung San Suu Kyi, an organizer of the event said yesterday.

"We are pleased to learn that His Holiness the Dalai Lama has agreed to participate in the forthcoming Nobel Peace laureates mission to Bangkok," said a statement from Laura Allen Communications (Thailand), which, is acting on behalf of the main organizer, the Montreal-based International Centre for Human Rights and Democratic Development.

According to Laura Allen, the Dalai Lama's office in India had submitted a visa application to the Thai Embassy in New Delhi and the entry visa had been approved.

Suu Kyi, the leader of the opposition National League for Democracy has been under house detention by the ruling Rangoon military junta since July 1989.

The Burmese opposition leader's husband Dr Michael Aris, a leading Tibetologist, had approached the Dalai Lama to be in the peace mission to Bangkok to campaign for his wife's release. Suu Kyi won the Nobel Peace Prize in 1991.

Dr Pradit Charoenthaitawi, rector of Mahidol University, yesterday told THE NATION that the Dalai Lama would arrive in Bangkok next Tuesday and would return to New Delhi on Thursday. The Tibetan spiritual leader, according to the Office of Tibet in London, will not take part in the press conference scheduled for next Friday.

Dr Pradit is the organizer of a human rights round table conference at Mahidol University scheduled to be held next Saturday, with the six Nobel laureates on the peace mission as keynote speakers.

This Friday, Dr Pradit said, he would chair a meeting to finalize the schedule of the Nobel laureates, taking into account the final confirmation of the Dalai Lama's participation.

The rector stressed that the Dalai Lama's activities would not involve politics, especially those concerning China. Therefore, he said, the Tibetan spiritual leader's visit will not affect Thai-Chinese relations.

Deputy Foreign Minister Surin Phitsuwan echoed Dr Pradit's views and was also of the opinion that the Dalai Lama's forthcoming visit would not strain relations between Bangkok and Beijing.

Surin said the visit of the Tibetan spiritual leader along with the other six Noble Prize laureates were organized by private international and Thai organizations, which had the freedom to do so without any hindrance from anyone.

"The Foreign Ministry instructed all of Thailand's embassies abroad, including India, to issue entry visas to any of the Nobel Peace laureates if they desired to come to Bangkok," said Surin.

Meanwhile, government spokesman Aphisit Wetch-achiwa quoted Surin as telling the Cabinet yesterday that the Chinese authorities had earlier asked for information from the government regarding the visit of the Dalai Lama.

The Burmese Embassy yesterday declined to comment on the visits. However, a Burmese diplomat who asked for anonymity said that the visits are organized by private authorities and not the Thai government and so the matters were different.

"Thailand as a democratic and open country has the right to allow anybody to enter its territory."

Paper Lauds Government Decision on Visit

BK1002043993 Bangkok THE NATION in English 10 Feb 93 p A6

[Editorial: "Dalai Lama's Visit Heralds a New Era in Burma's Struggle"]

[Text] If profiles of courage are to be written in this decade, they would definitely include those on the 14th Dalai Lama of Tibet, Tenzin Gyatso, and Burmese opposition National League for Democracy leader Aung San Suu Kyi.

Both are advocates for truth, freedom, justice and democracy and have a universal message of love and peace. The two have written on their struggle: the Dalai Lama in *Freedom in Exile* and Suu Kyi in *Freedom from Fear*. By virtue of Suu Kyi's husband Dr Michael Aris' extensive work on Tibet and Bhutan, they have come to know each other and share a common love for the Himalayas.

The Dalai Lama comes from a country that has been illegally occupied by Chinese armed forces since 1950, and Suu Kyi's Burma is under severe repression by a military junta calling itself the State Law and Order Restoration Council (Slorc). Like the Chinese army, the Slorc is an illegal occupying force, having refused to hand over power to the people after the NLD [National League for Democracy] won the majority of seats in the 1990 general election. Also, China supplies the Slorc with arms to carry out its subjugation of the Burmese people.

A difference however is clearly evident between the Dalai Lama and Suu Kyi. In 1959, the Tibetan spiritual leader in his struggle against the Chinese was forced to flee Lhasa under the cover of the night and seek refuge in neighbouring India. Suu Kyi however in her fight for a free Burma was placed under house arrest in July 1989 where she remains incarcerated until today.

In 1989, the Dalai Lama was awarded the Nobel Peace Prize for his universal message of love, compassion and forgiveness in highlighting the Tibetan struggle. In 1991, Suu Kyi received the same award and in the citation in her honour, the Nobel Peace Prize committee said she has "a candle of hope burning in the darkness of the repression carried out by the Slorc."

The Thai government's brave decision to grant the Dalai Lama a visa to enter the country and join in a peace mission together with other Nobel laureates to campaign for the release of Suu Kyi, is indeed laudable. The Chuan government's ascent to power was not by accident or design of certain powers that-be but rather on a platform for the promotion of democracy and the protection of human rights after last May's bloodbath.

In 1990, when the Dalai Lama applied for a visa to attend a gathering of Magsaysay award winners in Bangkok, his request was turned down by the government then under Chatchai Chunhawan because of protests from China. That Foreign Minister Prasong Sunsiri finally gave the green light for the Dalai Lama to enter the country is in itself a positive commitment by Chuan's administration to human rights.

China by no means should feel paranoid about the Dalai Lama's visit here and should be assured by Prasong's statement on Sunday night that "Thailand is a free country and we want to be friends with everyone."

The Foreign Minister's comments that the Nobel laureates, once in Thailand, "will know how to conduct themselves" is also a positive development compared to his earlier statement last week warning the peace mission not to use the country as a base for interfering in another country's domestic affairs.

There doesn't seem to be an end to the repression and suffering of the Burmese people under Slorc and neither does Suu Kyi's release appear imminent. The Dalai Lama's participation in the Nobel laureates' peace mission for Burma will ensure that the predicament of that country will not be forgotten.

Yesterday's positive events, with the confirmation by the Dalai Lama that he will be coming to Thailand next Tuesday, is a limited victory for the Burmese people. One hopes that a bigger one, the ousting of the junta, is not too far off.

Let's also hope that Thailand has finally realized that "constructive engagement" with the Slorc has not made it less of a monster. With the Dalai Lama's visit to Thailand to campaign for Suu Kyi's release, there will be a new beginning in Thai-Burma ties. The seeds now appear to have sown for Bangkok's constructive engagement with Burma's pro-democracy movement.

Effects on PRC, Burma Ties Examined

*BK1002045193 Bangkok THE NATION in English
10 Feb 93 p A6*

[Article by Kawi Chongkitthawon entitled: "Thinking Twice About Burma's SLORC"]

[Text] The visit of Nobel Peace Prize winners including the Dalai Lama here next week has a significance in altering the future shape of Thai-Burma ties.

The laureates' trip is very timely to focus the world's attention on the situation in Burma, Thailand's constructive engagement policy with the military junta in Rangoon and its ongoing treatment towards Burmese students.

Top on their agenda are the fates of 1991 Nobel Peace Prize winner, Aung San Suu Kyi, who has been under house arrest since 1989, and her fellow countrymen who have fled the country and live in exile here.

Seven Nobel Peace laureates, coming from different parts of the world, will be on a peace mission here organized by the Montreal-based International Centre for Human Rights and Democratic Development, to express their solidarity in campaigning for the release of Suu Kyi.

The Burmese people's struggle to liberate themselves from the iron-hand rule of Slorc [State Law and Order Restoration Council] has been a tough one since 1988. Slorc despite the threat of sanctions by Western countries has not budged, and has indicated quite clearly that they are in Burma to stay.

During their visit to Thailand, the Nobel laureates will be briefed by well known Thai human rights advocates such as Asst Prof Withit Munthaphon, Dr. Khothom Araya and Dr. Pradit Charoenthaithawi on the situation of Burmese pro-democracy movements along the Thai-Burma border.

Some thousands of Burmese students fled their country during the uprising in 1988 and subsequent crackdown by the military junta then under Gen Ne Win. At the moment, official statistics indicate that a little over one thousand Burmese students live in Thailand.

The Thai government is currently reviewing its long-standing policy on Burma after disputes over Hill 491 in Tha Sae in Chumphon province heated up late last year.

During the Anan government, Thailand repeatedly requested the Burmese junta to release Suu Kyi but failed to get any promise. It was only last year that the Slorc allowed her husband, Tibetologist Michael Aris and their two sons to visit her.

It is heartening that the Thai government showed courage to grant an entry visa to the Dalai Lama, who as a Buddhist monk long wanted to visit Thailand again after he was here for the first time in 1967. The manner in which Deputy Foreign Minister Surin Phitsuwan responded to the proposed visit of the Dalai Lama was laudable. He said Thailand is a free and open country and the spiritual leader would be welcome. That was a big change of attitude from the past stance taken by Bangkok with regard to the Tibetan spiritual leader.

For Thailand, the visit of the Dalai Lama, albeit its symbolic nature, has effectively reduced the influence of the so-called "China factor" in foreign policy making—which previously was accorded top priority by former Thai governments. Until recently, Thailand had always been uneasy over any independent foreign initiatives if they in any way offended Beijing.

Things began to change in the late 1991 with the signing of the Cambodian peace accords and Bangkok distancing itself from the China-supported Khmer Rouge and making overtures to the Phnom Penh government. Clearly the warmth of previous Sino-Thai ties were beginning to get cold.

Bangkok's bold stance with regard to the Dalai Lama could cause Thailand to incur the wrath of China, which has expressed outrage at countries that have granted entry visas to the Tibetan spiritual leader. One foreign ministry official expressed hope that Beijing would shed its paranoia this time.

Thailand now joins the list of democracy-loving countries that have recently admitted the Dalai Lama. One only had to recall in 1991, the Dalai Lama being a guest of then president George Bush addressed the US Congress. Before coming to Washington the Tibetan spiritual leader was in Britain where British Prime Minister John Major refused to meet him for fear of upsetting the Chinese.

Bangkok's bold decision has also come at a time when China is moving aggressively inside Burma establishing new military links, which could jolt the whole region. With the world shunning Burma, China is enjoying its new-found opportunity with the blessing of Rangoon—thus proving the maxim of birds of a feather flocking together.

Latest reports from Rangoon indicate that Beijing is seeking an access to the Indian Ocean through the naval base it is building for the Burmese at Bassien in the Irrawaddy Delta.

Obviously, the Burmese junta leaders are flirting with China, which does not give two hoots about their record of human rights violations and crackdowns on the pro-democracy dissidents. China gives military and economic assistance with no strings attached.

Against this backdrop, it is clear that Thailand's three-year-old constructive engagement policy with the SLORC has collapsed. The optimism that prevailed earlier when it was believed the junta leaders in Rangoon were doing all their best to democratize the whole country is waning.

It also shattered the long-held Thai belief that the junta leaders, who have been invited to Thailand on several occasions in various capacities, could develop positive outlooks after discussions with the Thais and other ASEAN counterparts.

Despite repeated threats by the Interior Ministry and the National Security Council, the Thai government has no plans to send back the Burmese students, who are now facing arrests, particularly the persons who have registered and still refuse to enter the so-called safe camp in Ratchaburi.

It is possible that the Nobel laureates' trip would help influence the country's future policy toward Burma, not to mention a better policy toward the Burmese students. Non-governmental organizations and human rights groups are now doing all they can to help.

Finally, the reputation of Chuan government is on the line. Since Chuan came to power last October he failed to manifest any support towards human rights and democracy in Burma—the values so dearly enshrined in his

campaign. It is a good opportunity for the Chuan government to shore up its deteriorating image by providing full facilities to the peace mission during the laureates week-long visit here.

Unmistakably, Western countries including the US and European countries, which have condemned the Burmese junta and criticized Thailand's Burma policy, will scrutinize Bangkok's response toward the Nobel laureates'. With the admission of the Dalai Lama into Thailand, the Thai government for starters looks good in the eyes of the world. The rest now would depend in the week beginning on Monday.

Spokesman Dismisses PRC 'Warning'

BK1002054693 Hong Kong AFP in English 0435 GMT
10 Feb 93

[By Kate Webb]

[Excerpts] Bangkok, Feb 10 (AFP)—Thailand Wednesday rebutted a warning from Beijing that it should stop next week's visit here by Tibet's spiritual leader, the Dalai Lama, saying it had nothing to do with China's internal situation.

"We obviously have to make the Chinese Government understand that the Dalai Lama is coming here on a very specific mission—to campaign for the release of (Burma's) Aung San Suu Kyi," spokesman Aphisit Wetchachiwa told AFP.

"His (February 16-18) visit has nothing to do with the internal situation in China, but with human rights and Burma," Aphisit said.

Aphisit was responding to a blunt warning issued in Beijing in which a Chinese Foreign Ministry spokesman called the Dalai Lama "not a purely religious figure" and said Bangkok should change its mind and stop the visit.

"We hope that the country concerned (Thailand) will solve this problem properly, that is to refuse the visit by the Dalai Lama," the Beijing spokesman said, adding that the Tibetan spiritual leader had long been "engaging in political acts aimed at splitting the motherland."

Thailand bowed to Chinese pressure in 1987 and again in 1990 to cancel planned visits by the Tibetan spiritual leader who has lived in exile in India since 1959, forced out by the 1950 Chinese Army occupation of Tibet.

Last week the government of Prime Minister Chuan Likphai announced that it would grant a visa to the Dalai Lama, so that in his capacity as a Nobel laureate, he could join six other Nobel winners to campaign for the release of Aung San Suu Kyi.

"The Dalai Lama is coming here with a Nobel peace mission—a very specific mission, to campaign for the release of (detained Burmese pro-democracy leader) Aung San Suu Kyi, a fellow Nobel laureate," Aphisit said.

"As an open and democratic society, Thailand cannot discriminate against anybody who wants to enter the country, particularly as we are allowing other Nobel peace prize winners to come here.

"We obviously have to make the Chinese Government understand that the Dalai Lama is coming here on a very specific mission. His visit should not affect relations between Thailand and China."

In Bangkok the Thai press generally hailed the government decision, with the respected Thai-language daily, MATICHON, saying "We have appeased China too much in the past. We are a sovereign country.

"This decision will boost Thailand's image in the international community as a defender of freedom." [passage omitted]

Diplomatic observers here have noted that the local and Canadian organisers of the Nobel laureates' mission to Thailand have been careful to stress that the Dalai Lama will not appear at a scheduled press conference.

One of the local organisers, Mahidon University rector Prathit Charoenthaithawi, has also emphasised that the Dalai Lama's activities here February 16-18 "will not involve politics, especially concerning China."

Burmese diplomats here have not publicly voiced objections to the laureates' mission. They have been quoted by Thai newspapers as saying they had no comment since the mission was organised by the Montreal-based International Center for Human Rights and Democratic Development, and not by the Thai Government.

The seven laureates, including South African Bishop Desmond Tutu, are scheduled to start arriving here over the next few days, and the Dalai Lama on February 16. He is scheduled to stay two days before returning to Delhi on February 18.

The group, which was denied visas to Burma by the junta, aims to draw world attention to the plight of Aung San Suu Kyi, 47, who is spending her fourth year under house arrest in Rangoon, where all but family members and servants are barred entry to her heavily guarded home.

Prasong: Sihanouk Hesitation on Poll 'Worrying'
BK0902042393 Bangkok BANGKOK POST in English 9 Feb 93 p 9

[Excerpt] Foreign Minister Prasong Sunsiri yesterday expressed concern over an indication from Prince Norodom Sihanouk that he might not run in the presidential election in Cambodia.

"It is rather worrying," he said, when asked about the prince's letter to a leader of Amnesty International last week.

"Cambodia's problems are not easy to solve," he added.

In the letter, the prince was reported to have raised doubts about his participation in the presidential election as well as the timing of it.

Sqn Ldr Prasong noted that Prince Sihanouk remains a widely-respected figure and affirmed that Thailand would always listen to what he has to say.

Thailand has always been prepared to support efforts for lasting peace in Cambodia, he pointed out.

"But we must leave Cambodians to discuss their internal affairs among themselves," he stressed.

He noted that the United Nations Security Council was taking charge of Cambodian problems. Thailand, as a member of the UN, would help where it could, he added.

He, however, refused to comment on the performance of the United Nations Transitional Authority in Cambodia (UNTAC).

"UNTAC is the UN's mechanism. I myself would like to see UNTAC succeed. But whether or not it can do so depends on its efficiency," he said. [passage omitted]

NSC Chief Comments on Cambodian Polls

BK0902042493 Bangkok Army Television Channel 5 in Thai 1200 GMT 9 Feb 93

[Text] General Charan Kunlawanit, the secretary general of the National Security Council [NSC], said before departing to attend the Thai-Malaysian Border Committee that the presidential and general elections in Cambodia would definitely take place. He said although there are obstacles, these obstacles are limited, not widespread. He said he believed that the elections will definitely take place because it has long been the intention of many sides that the elections materialize.

[Begin Charan recording in progress] ...the election can be held. We must be aware that even in our country we were able to continue the political process when there was disturbance of peace in some areas of the country. The important thing is how earnest the people, who are involved in controlling the situation, are in helping each other. The four factions must help to maintain control so that the intensity of the situation will diminish quickly. I don't think the obstacles are great enough to block the elections. We should realize that they have intended for a long time to hold the elections. So, they will somehow manage to make them materialize. [end recording]

On the joint meeting of the Thai-Malaysian Border Committee to be held tomorrow in Malaysia, Gen. Charan said Thailand will emphasize ways to strengthen economic stability along the border.

Chuan Picks Team To Revise Military Regime Laws

BK1002042993 Bangkok THE NATION in English 10 Feb 93 p A2

[Text] Prime Minister Chuan Likhai has formed a 25-member committee to revise the more than 500 laws and regulations made by military regimes that are considered by many as either "dictatorial or outdated".

Chuan established the committee in an executive order dated Monday. Chaired by former Supreme Court Chief Justice Sophon Ratthanakon and made up primarily of legal experts, the committee is to rewrite the orders and decrees to make them consistent with the Constitution.

The orders and decrees, made by military regimes that came to power in coups, have the same status as laws promulgated by Parliament.

Chuan's order empowers the committee to summon representatives of relevant government agencies to give clarification and provide information regarding the laws under review.

The committee, although required to consult government agencies to be affected by the revisions, has the final say in proposing changes.

The orders and decrees issued by the military regimes will be integrated into the main body of laws.

Laws and regulations that are considered dictatorial or outdated would be rewritten while those which already conform with the Constitution and democratic principle will have their titles changed or be incorporated into related existing laws.

The committee is also required to report progress in its work to the prime minister every two months and submit its full proposal within 12 months after its formation.

Members of the committee include the attorney general, the secretary general of the Juridical Council, the secretary-general of the Justice Ministry's Division of Judicial Affairs, the deans of the faculties of law from Chulalongkorn, Thammasat, Ramkhamhaeng, Krungthep and Sukhothai Thammathirat universities and the president of the Law Society of Thailand.

Deputy Parliament President Thawin Praisong yesterday criticized rightwing groups that use temples to organize political activities.

"I think it is not correct for them to hold political activities at temples," Thawin told reporters at Parliament. "Temples are used to hold religious activities. Why don't they gather at hotels?"

Thawin said the people already respected the country's three highest institutions—the nation, religion and the monarchy—and there was no need for any group people to try to strengthen such awareness.

He said if the people supported their political ideas, they should have elected political parties backed by these rightwing groups.

"But I don't see any political parties supported by them being successful in elections," he said.

On Sunday, the abbot of Wat Arun Ratchawararam, Phra Thep Sinwisut told 100 members of the National Unity Loving Organization of Thailand at his temple that they should support former Prime Minister Suchinda Kraprayun to lead a new political party called Chat Pracharat.

Thawin criticized the senior monk for stating that a military officer should become Thailand's prime minister.

"Politics is not an affair for monks. They should refrain from making political comments," he said.

Thawin also said he disagreed with the monk's remarks on killing. He quoted the monk as also saying on Sunday that even if killing is not good, for rulers it should be regarded as "courageous". Otherwise, a ruler would not be able to stay in power, Thawin quoted the monk as saying.

In a related development, Social Action Party spokesman Piyanat Watcharapon said yesterday the public should not think that a political group with opinions differing from their own was necessarily "evil".

"The public has to respect their opinion," he said. "But it's up to the individual to agree or not."

However, Piyanat declined to comment on the monk's reported remarks, saying that was the Religious Department's affair.

Water Shortage Seen as 'Political Crisis'

BK0902033193 Bangkok THE NATION in English 9 Feb 93 pp C1, C3

[Article by James Fahn: "A Special Report: Going With the Flow" under the rubric "Focus on Environment: Water", with the following introductory comments: "The government has come forward with several plans to combat the water shortage, including a new law, more dams and river diversions. They are sure to result in political conflict."]

[Text] A glass of water sits on a table. Some say it's half empty; others that it's half full.

This more or less describes the argument over how best to respond to the water shortage looming over Thailand as the long, dry hot season approaches.

The government and the state describe the problem as a lack of supply. Officials claim that more dams need to be built because too much water is running off to the sea without being used.

But critics argue that this water is in fact used for various activities, including fishing and shipping. What's more, they say, the social and environmental costs of building more dams are simply too great; Thailand should learn to live with the water supply it has.

The kingdom would be able to do that, they add, if the authorities would turn their attention away from finding new sources of water and instead focused on controlling demand. Thirty percent of the water supplied to Bangkok, and 70 percent of water used for agriculture, is wasted. Reducing this waste is just as good as increasing supply.

The best way to increase efficiency is by making people pay the full cost for the water they consume. Water is heavily subsidized in Thailand, both in the cities and in the country, where 90 percent of the country's water is consumed and many farmers receive free irrigation services.

"The Royal Irrigation Department [RID] feels its role is to find new sources of water," complains Dr Chiraphon Sinthunawa, a professor at Mahidon University. "In fact, it has another role which it has always neglected: managing our water resources efficiently."

The government has so far come out with four different types of responses to the water shortage: The promotion of alternative crops to replace water-intensive rice, a programme which everyone seems to support; a proposal by the Interior Ministry to build small-scale water supply projects, about which little is known; a new law to improve water management, which seems unlikely to please most critics; and a large-scale river diversion and dam project in the north, which has already raised vocal opposition from environmental groups and local residents.

Replacing Rice

One solution which everyone seems to agree on is crop diversification. Market prices for rice—which requires a great deal of water—are low, so promoting replacement crops makes sense both economically and environmentally. The government has started such a programme, but it's slow going.

"The Department of Agricultural Extension has been trying to promote replacement crops, but farmers need help in marketing, training and additional investment," explains Dr Aphichat Anukunlamphai, director of the Office of the National Water Resources Committee. "This year, 220,000 rai of land has been switched from rice to other crops. We hope to reach a million rai in five years."

"The amount of land which undergoes second cropping varies from 1.5 to 2.5 million rai. We hoped the public relations campaign would convince farmers not to plant a second crop. But we've just learned one million rai has

already been planted, double what we estimated. So when the RID releases water for domestic consumption, some farmers may take it."

New Law

In fact, the government is taking steps which it claims will improve water management. But critics are likely to complain they are too, well, watered down. Nor are they likely to win the favour of the many vested interests which want to maintain the status quo.

These steps centre on a new law being drawn up. Although the bill is far from completed, it seems sure to arouse a great deal of controversy.

According to Aphichat, the law would create a new body—the National Water Resources Board—to look after management of water resources. The committee would be chaired by the prime minister, and would be linked to an office which would carry out policy and planning.

"Hopefully, it would stay away from implementation," confides Aphichat. "We already have 30 departments under seven ministries to carry out implementation, which must be a world record."

In addition, he says, a new Basin Authority would be established, comprising representatives from water basins throughout the country. "They would decide how they want to allocate water, so that decisions do not just come from the central government."

The creation of this body would be in line with a practice known as bioregionalism, in which local people are granted control over local resources. But it's unclear how much real power the organization would have.

Aphichat agrees that "it's time to emphasize the demand side and improve efficiency. That's why pricing is important."

Water tariffs in Bangkok are subsidized: residents pay less than businesses; and, crazily enough, above the limit of 2,000 cubic metres per month, industries pay less for water the more they use. A recent attempt to increase rates was quietly killed off. Interior Minister Gen Chawalit Yongchaiyut has even suggested reducing rates in certain areas.

But the prospects for greater water efficiency in Bangkok are still relatively bright, because there seems to be a quietly growing consensus that urban institutions—businesses and industrial concerns—if not residents, should pay the full price for the water they use. Even as it stands, the Metropolitan Waterworks Authority has an incentive to create a demand-side management programme (see adjoining article) because it is allowed to charge its customers.

The Royal Irrigation Department (RID) is not, however. And even those who are bold enough to come out and say that farmers should pay for the water they receive attach

conditions. This is because many farmers are poor (although those who receive irrigation from the state may not be) and because officials fear the political consequences of making farmers pay for water.

"Industries and large farmers should pay, but we cannot ask poor, small farmers to do so," maintains Dr Suwit Yotmani of the Asian Institute for Technology.

Timebomb

In short, making people—especially farmers—pay the full price for water after so many years of subsidies is a political timebomb. So the government, and even most critics, seems set to shy away from this direct approach.

Aphichat still doesn't like the idea of the RID selling water. Instead, he favours making farmers pay a nominal fee, perhaps according to the amount of land they want to irrigate.

But unless people are forced to pay for the amount of water they actually consume, they will still have the incentive to grab as much as they can. "Farmers should pay according to how much they use," says Chiraphon, even if it's just a token fee.

Theoretically, this money could be used to improve operation and maintenance of the water supply system. But Aphichat instead advocates that it be given back to farmer cooperatives to be used as they please, and Chiraphon essentially agrees.

In fact, there seems to be a general agreement that water efficiency in the countryside should be promoted directly by the government, through lining irrigation canals, supplying the proper equipment and so on.

Government officials like Aphichat and Dr Bunyok Watthanaphusi, a former RID engineer now advising PM's [Prime Minister's] Office Minister Sawit Phothiwihok, argue that most farmers simply are not well-educated enough to handle the technology needed to go along with increasing efficiency.

And environmentalists like Withun Pemophongsachoen of the Project for Ecological Recovery suspect that most of the water is wasted before it even gets to the farms. "The problem is in the irrigation system, not the agricultural system," he asserts.

Witun is also a firm advocate of giving farmers water rights.

Currently, no one officially owns water in Thailand; de facto control over the resource is held by the many implementing agencies. In theory, farmers could be enticed into paying for water by being granted long-term water rights in exchange.

But as it stands, the new bill would not quite work this way. It would officially grant ownership to the state,

which would then allocate water rights to the people, probably according to who has traditionally been using it.

But, explains Aphichat, in an emergency the government would be able to declare certain regions a "crisis area," and revoke these rights. "If investments have been made, there would be compensation," he adds.

So farmers would still not have long-term water security. They could remain subject to the whims of those in power.

Witun has a lot of objections to the new bill. "The government plans to charge farmers Bt20 per rai per year for water, saying the real cost is Bt1,000. They say they will use the price mechanism to increase efficiency. But in reality the government will get Bt700 million to subsidize the current system."

Aphichat, however, claims that the law will have trouble passing through parliament.

Kok-Ing-Nan Project

The measures needed to promote proper water management are so politically explosive that the government may believe it will be easier to go ahead and simply find new sources of water.

Just last week, a committee chaired by PM Chuan Likphai approved that allocation of Bt [baht] 100 million to conduct a feasibility study into diverting water from several northern rivers so that they flow into the Sirikit Dam instead of the Mekong River. The Kaeng Sua Ten Dam was not mentioned in last week's announcement, but some scenarios include the construction of this large dam on the Yom River into the project.

Even excluding Kaeng Sua Ten, the Kok-Ing-Nan Project is sure to cause conflict, most notably with Cambodia and Vietnam, downstream neighbours on the Mekong. They have long been fearful that Thailand would unilaterally attempt to divert water from the river.

Intriguingly, the announcement came just prior to a trip by Deputy Foreign Minister Surin Pitsuwan to Hanoi to sign an document with Laos, Cambodia, and Vietnam promising cooperation in dividing the Mekong Basin's water resources: in effect, an agreement to seek an agreement.

The government claims the project will cost Bt25 billion and deliver 2,700 mcm into the Sirikit reservoir. If history is any guide, these numbers are probably optimistic (for instance, they might use the years of highest rainfall). Even if they are accurate, water at Bt510 per cubic metre is too expensive for growing rice.

And yet the government claims the water will be used primarily for irrigation, along with producing electricity. "They always claim the farmer is the top priority,"

explains Chiraphon. "But when there's a shortage, water is reserved for Bangkok and the farmers have to do without a second crop."

The water shortage, in other words, has driven Thailand to risk conflict with its Indochinese neighbours by taking water from a common basin and diverting it to the Chao Phraya Basin. And no one knows what the social and environmental impact of this project will be in Thailand.

Thai authorities have also talked of reaching an agreement with Burma over taking water from the Salween River Basin, a war zone, for use in the Central Plains. And the RID has come up with several plans for new dams, most notably the Kaeng Sua Ten.

"There's a water shortage downstream," explains Bunyok. "If we want to store more water, we either have to bring it in from other basins or save water from the Yom River in the wet season. A dam on the Yom is the only one left with the potential to regulate flow, along with some small dams downstream. We may have to sacrifice some forest, but it's a price worth paying."

And what about the people who have to be moved? "There have been some resettlement problems in the past, but ... Look, the people there are not happy now. Sure, when I was young, we didn't have much and I was happy, but now we want things like TVs and air conditioning." And yet local residents have already held protests against the Kaeng Sua Ten proposal.

Repeating the Cycle

Witun's opposition to such dams is well known. "The existing water supply-side plan has failed. If we strengthen this system, it doesn't ensure that a crisis won't happen again. Demand-side management is much more reliable. We can solve the problem permanently."

"Some government officials are blaming the water shortage on increases in upstream demand. EGAT's Irrigation Department is doing a survey on this, and the PM recently held a talk with provincial governors. He may try and stop people upstream from using water, so it would all be for the benefit of Bangkok. This creates a lot of conflict, also with neighbouring countries."

"No dam stores water according to the plan. They claim it's due to forest loss, soil erosion, increased demand, or less rainfall. But these factors are reality, so there is no guarantee of success."

"They say Kaeng Sua Ten will provide irrigation water for 350,000 rai. But it will cost Bt4.2 billion. That's an investment of Bt13,000 per rai over 50 years, or Bt260 per rai per year. One rai of paddy is worth about Bt2,000, so it doesn't make economic sense."

"They say they want to promote a second crop. But they spent a lot of money doing that in the Chao Phraya Basin twelve years ago, and now they tell farmers they can't have it. They will do the same with Kaeng Sua Ten."

"The dam-builders are using this opportunity to try and build more dams. Maybe the government thinks this will appease the farmers," says Kevin Kinvig, an economist studying water resources at the Thailand Development Research Institute. "But if they do build more, farmers will just use water more intensively because they don't pay for it."

So the engineer sees Thailand's supply of water as empty and wants to fill it up. The environmentalist sees it as full and wants to use it as efficiently as possible. And the economist wants to make sure the water doesn't all just leak away.

The water crisis has become a political crisis. As such, finding a compromise won't be easy.

Vietnam

Reportage on Visit by French President

French Envoy Discusses Visit

BK0902150993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 8 Feb 93

[Interview by station correspondent Thanh Hai with Claude-Marie Blanchemaison, French ambassador to Vietnam; place and date not given—recorded, in French fading into Vietnamese translation]

[Summary] [Thanh Hai] Your Excellency, what is your comment on the recent development in the relations between France and Vietnam and what is your appraisal of the two countries' cooperation in the business, trade, cultural, and scientific-technological domains?

[Blanchemaison] There is a great progress in the relations between France and Vietnam. Today, France is the third largest country that has invested in Vietnam and cooperation between the two countries ranges from cultural and scientific to economic and training domains.

"Since 1990, France has decided to double its financial assistance to Vietnam and to expand cooperation activities in various fields between the two nations. In 1992, France provided Vietnam with various kinds of assistance valued at 230 million francs. I think that during his official friendship visit to Vietnam, President Mitterrand will announce the French Government's intention to double French assistance to Vietnam annually."

Moreover, about 60 million francs will be given to Vietnam to help develop the cultural, scientific-technological, and training domains. France advocates training programs for Vietnamese cadres both in Vietnam and France. As you can see, an Alliance Francaise Center was set up in Hanoi one year ago. French language courses were organized and newspapers and books were provided for Vietnamese students and readers. Besides, a French-Vietnamese Training Center for Vietnamese economic management cadres has been

set up in Hanoi and a similar center will be established in Ho Chi Minh City very soon.

"In the economic field, French assistance to Vietnam reached 180 million francs in 1992—a substantial aid as compared to the previous years. The assistance has helped accelerate the French-Vietnamese economic and scientific-technological cooperation with the direct participation of French companies and enterprises. I think that the volume of French aid to Vietnam will be increased in the days ahead, and that President Mitterrand's upcoming visit will help step up bilateral cooperation quantitatively and qualitatively."

[Thanh Hai] In the capacity as the French ambassador to Vietnam, Your Excellency has done a lot to strengthen French-Vietnamese friendship. What is your impression of the visit to Vietnam by French President Francois Mitterrand?

[Blanchemaïson] "I think that the official friendship visit to Vietnam by President Francois Mitterrand is very important because it is the first visit to the country by a French president and the chief of state of a Western country. President Francois Mitterrand's visit to the country is a very significant event, given the long-standing relations between France and Vietnam. In fact, his excellency the French president has expressed his desire to visit Vietnam for quite a long time now. He contended that a French president should pay a visit to Vietnam due to the time-honored French-Vietnamese historical relationship. This visit, however, is not aimed at recalling events in the past, but at looking to the future—the future with more concrete cooperation and friendship between the two countries. I would like to add that Vietnam has decided to join the francophone community and has expressed the intention to host the upcoming summit of the francophone countries. I warmly welcome and totally support this idea of Vietnam and I think that this will benefit Vietnam the most. Moreover, at present, many major French corporations are ready to cooperate with Vietnam and to help modernize the Vietnamese economy, especially in the fields of telecommunications, energy, and transportation. I should say that the French president will convey the French people's friendly and fraternal greetings as well as their fundamental sentiments toward the Vietnamese people during his visit. In fact, France and Vietnam have a long-standing historical relationship, and through this visit, President Francois Mitterrand will have the chance to express this sentiment and to wish the great Vietnamese people a great future."

Paper Welcomes Visit

BK0902074393 Hanoi VNA in English 0643 GMT 9 Feb 93

[Text] Hanoi VNA Feb. 9—NHAN DAN today welcomes French President Francois Mitterrand's visit to Vietnam as "an important event in the Vietnamese-French relations."

In an editorial frontpaged beside a portrait of the French president, the paper stressed that he is the first head of state of the French Republic to pay a visit to Vietnam, and also the first head of state of Western countries to visit the Socialist Republic of Vietnam.

The paper goes on:

Implementing the open-door foreign policy of diversifying and multilateralizing its international relations, the Government of the Socialist Republic of Vietnam regards its bilateral cooperation with European countries and the European Community as an important direction. In that context, we warmly welcome the upcoming visit of President Francois Mitterrand. We note with satisfaction that the Vietnamese-French relations are progressing satisfactorily. In response to Vietnam's foreign policy, France is taking the lead among Western countries to resume and maintain annual development aid to Vietnam, actively working for the broadening of the relations between Vietnam and the European Community, and advocating the normalization of relations between Vietnam and the international financial. The growing Vietnamese-French bilateral relations are extending to many fields including economy, finance, culture, education, public health, information, communication and transport... under diversified forms and at various levels for the benefits of both nations. France ranks third among the foreign investors in Vietnam and is Vietnam's biggest trading partner in northwestern Europe. The governments of the two countries have many points in common in the search for a solution to the conflicts and disputes in Southeast Asia.

Many French are sympathizing with and supporting the Vietnamese people to build a prosperous, strong and peaceful country." [no opening quotation marks as received]

"We wish President Francois Mitterrand's visit fine success, thus ushering in a new era in the cooperation and friendship between the two states and two people," the paper says in conclusion.

Mitterrand Welcomed 9 Feb

BK0902133993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 9 Feb 93

[Station correspondent Truong Cong Hoa's report on the welcoming ceremony for French President Francois Mitterrand, in Hanoi on 9 February—recorded]

[Summary] "Accepting the invitation of SRV State President Le Duc Anh, President of the Republic of France Francois Mitterrand and other distinguished guests arrived today in Hanoi, starting their official friendship visit to our country."

Hanoi main streets were decorated with French and Vietnamese flags and crossed with banners in Vietnamese and French to welcome President Francois Mitterrand. He is the first French president and Western

leader to pay an official visit to Vietnam, bringing to the Vietnamese people the friendship and mutual understanding between the peoples and Governments of Vietnam and France. Many international journalists gathered at the Presidential Palace gate for the ceremony before the start of the official visit.

"Vietnamese Foreign Minister Nguyen Manh Cam, Director of the Presidential Office Nguyen Viet Dung, and many high-ranking officials of our government went to the international airport, Noi Bai, to welcome the French president.

"Accompanying French President Francois Mitterrand were Roland Dumas, minister of state for foreign affairs; Michel Vauzelle, minister of justice and keeper of the Seal; Martin Malvy, minister of budget; Hubert Curien, minister of research and technology; Mrs. (Catherine Taska), secretary of state for French and overseas culture relations; (Tarpril), parliamentary member of High Seine River area and president of the France-Vietnam Friendship Committee of the parliament; (Christian Tomble), parliamentary member of (Bourque) and president of the France-Vietnam Friendship Committee of the Senate; (Dubert Greybreen), secretary general of the Presidential Palace; Claude-Marie Blanchemaison, French ambassador to Vietnam; General (Christno), chief of general staff of the French president; and (Tanisi Stani), spokesman of the Presidential Palace.

"Receiving French President Francois Mitterrand and other guests, on the Vietnamese side, were State President Le Duc Anh; Vice President Nguyen Thi Binh; Prime Minister Vo Van Kiet; Dang Huu, minister of science, technology, and environment; Minister of Finance Ho Te; Minister of Public Health Nguyen Trong Nhan; (Nguyen Van Hieu), director of the Vietnam Science Institute; Dau Ngoc Xuan, chairman of the State Commission for Cooperation and Investment; Minister of Health Le Van Triet; Justice Minister Nguyen Dinh Loc; Le At Hoi, chairman of the Hanoi People's Committee; Do Quoc Sam, minister of state planning; Vu Khac Nghiem, deputy minister of the culture and information; and Tran Quang Co, deputy minister of foreign affairs. People from the diplomatic corps and representatives of international organizations in Hanoi also welcomed French President Francois Mitterrand.

"At 1510 sharp, the motorcade escorting the French president and his entourage arrived at the Presidential Palace where President Le Duc Anh, Vice President Nguyen Thi Binh, and Prime Minister Vo Van Kiet warmly welcomed French President Francois Mitterrand. Hanoi young ladies, representing the capital people and charming in their traditional long dresses, presented the French president and other distinguished guests with bouquets as an indication of the hospitality of the people in Hanoi, a city with many fine influences of French culture."

In a solemn and moving atmosphere, President Le Duc Anh invited President Mitterrand to the honorary stand while the military band played the national anthems of the

two countries. Next, President Le Duc Anh led President Mitterrand to review the guard of honor and introduced the visiting president to Vice President Nguyen Thi Binh, Prime Minister Vo Van Kiet, and high-ranking officials of the Vietnamese Government. The two leaders also shook hands with members of the diplomatic corps and representatives of international organizations in Hanoi.

"After that, President Le Duc Anh invited President Mitterrand to the Presidential Palace where the latter will stay during his official friendship visit to our country."

Meets Le Duc Anh, Do Muoi

BK0902151293 Hanoi Voice of Vietnam Network in Vietnamese 1430 GMT 9 Feb 93

[Text] After his arrival in Hanoi on 9 February for an official friendship visit to Vietnam, French President Francois Mitterrand held talks with SRV President Le Duc Anh. Attending the talks on the Vietnamese side were Prime Minister Vo Van Kiet, Foreign Minister Nguyen Manh Cam; Nguyen Viet Dung, chief of the Presidential Office; Trinh Ngoc Thai, Vietnamese ambassador to France; and many high-ranking officials of the SRV state. The talks proceeded in a warm and friendly atmosphere.

In the afternoon of the same day, party General Secretary Do Muoi cordially received President Mitterrand at the Government House.

At the Presidential Palace this evening, SRV President Le Duc Anh and Vice President Nguyen Thi Binh hosted a banquet in honor of Mitterrand and his entourage. Also attending the function were General Vo Nguyen Giap, ministers, deputy ministers, and other Vietnamese leaders.

Pledges To Help Overturn U.S. Embargo

BK0902152293 Hong Kong AFP in English 1454 GMT 9 Feb 93

[Text] Hanoi, Feb 9 (AFP)—French President Francois Mitterrand pledged Tuesday to help overturn the U.S. economic embargo against Vietnam, but said economic development should be closely followed by political reform. Mitterrand's statements came during a 90-minute meeting with Vietnamese President Le Duc Anh, according to French presidential spokesman Jean Musitelli. The French president also met Communist Party chief Do Muoi during the first day of his landmark visit to Vietnam, the first by a Western head of state since U.S. President Lyndon Johnson made a trip to Saigon in 1966. "We must put an end to an outdated situation that has no more reason for existing," Musitelli quoted the president as telling Anh about the U.S. embargo. Specifically, Mitterrand said France would intervene to restore Vietnam's eligibility for loans from the International Monetary Fund (IMF), the World Bank and other international institutions, currently blocked by Washington. "It doesn't all depend on France, but we will be your advocates at the IMF," Mitterrand told Anh.

The IMF and World Bank are to hold their annual meeting starting late next month in Washington, which has made its lifting of the embargo conditional on Hanoi's cooperation in accounting for U.S. servicemen missing from the Vietnam War.

One of Mitterrand's economic advisors meanwhile announced that France would double its direct financial aid to Vietnam to 65 million dollars this year, and added that Mitterrand had agreed to consider Hanoi's request to cancel its 290 million dollar debt to France.

But responding to Anh's comment that economic development should be built on a basis of political stability, Mitterrand said "economic renewal should be followed by political renewal," and urged Vietnam to move in that direction, according to Musitelli. The French president offered his country's aid in building up Vietnam's justice and legal system to create a "state based on law, with all the liberties that implies," the spokesman said. But the question of Vietnam's human rights record—including specific cases of alleged violations—would be brought up by French Foreign Minister Roland Dumas in talks with his Vietnamese counterpart, Musitelli said.

Mitterrand also brought his ministers of justice, budget, scientific research and francophone affairs on the three-day visit, which is to include an overnight stop in Ho Chi Minh City on Wednesday. But Mitterrand is to first make a visit to Dien Bien Phu, where France's colonial grip on Indochina was broken in a 57-day battle.

"Today we can say we pick up again the thread of history—on a different basis—for a strong relationship," Mitterrand told members of the French community in Hanoi after meeting Vietnam's top leaders. "There has been an undeniable rapprochement between France and Vietnam which puts an official end to a long, dramatic period."

Mitterrand was to continue on Thursday to Cambodia—another subject of his talks with Anh, who asked France "to play an active role" in implementing the stalled peace process and halting massacres of ethnic Vietnamese, Musitelli said.

The president's talks with Communist Party General Secretary Do Muoi were "more philosophical"—and focused on what model Vietnam should follow following "the collapse of collectivism," Musitelli said.

Emphasizes Issue at News Conference

BK1002070893 Hong Kong AFP in English 0620 GMT 10 Feb 93

[Text] Hanoi, Feb 10 (AFP)—French President Francois Mitterrand urged his American counterpart Bill Clinton here Wednesday to lift the U.S. economic embargo against Vietnam.

Mitterrand, the first Western head of state to visit communist-ruled Vietnam, was asked at a press conference if he had any pieces of advice concerning the embargo for the newly-elected U.S. President.

"Why do you speak in the plural? I have a single piece of advice: Lift the embargo," Mitterrand responded.

Calling the embargo an "anachronism," Mitterrand said that France was "working on the reinsertion of Vietnam into the international economic community," notably by lobbying to restore its eligibility for International Monetary Fund (IMF) loans.

The United States continues to block Hanoi's access to IMF and World Bank lending, demanding greater cooperation in accounting for U.S. servicemen missing from the Vietnam War, which ended in 1975.

But Mitterrand said he urged Vietnamese leaders to match the country's economic development with greater political freedom and respect for human rights.

"There cannot be economic opening without political opening, and it is an illusion to think otherwise," the French president said.

French Foreign Minister Roland Dumas told AFP he had asked Vietnam to release some 20 jailed religious figures and academics that France considered prisoners of conscience.

Vietnamese Foreign Minister Nguyen Manh Cam's reaction was "attentive," he said.

France and Vietnam signed seven accords during Mitterrand's two-day visit to Hanoi, covering economic, legal, medical, scientific and cultural cooperation, Mitterrand said.

He had talks with Vietnamese President Le Duc Anh, Communist Party chief Do Muoi and elder statesman Pham Van Dong.

Hanoi Radio Reports Meetings

BK1002070393 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Feb 93

[Text] President Le Duc Anh held talks with President Francois Mitterrand, of the Republic of France, at the presidential place on the afternoon of 9 February.

At the talks, President Le Duc Anh warmly welcomed President Francois Mitterrand and other distinguished accompanying guests.

The president emphasized the significance of the first-ever visit to Vietnam by a French president.

President Le Duc Anh informed President Francois Mitterrand of the Vietnamese situation and the initial achievements scored by our people in the renovation, as well as in the deployment of Vietnam's wide-open foreign policy, which ensures relations with all countries on the basis of equality, mutual respect, and mutual benefit.

The president highly praised and expressed the sincere gratitude of the state, Government, and people of Vietnam

to the Government and people of France for their valuable support and assistance to our people's national construction.

President Le Duc Anh expressed his joy over the positive, very encouraging development of relations between two countries over the years in the political, economic, cultural, scientific, and technological fields. The president affirmed Vietnam's consistent policy to develop its long-standing relations with France in a manner commensurate with the traditional ties that have bound the two nations together.

President Mitterrand expressed his joy on being the first French president and also the first Western head of state to visit Vietnam. He expressed thanks for the grand welcome accorded him and his entourage by the state, government, and people of Vietnam. The president recalled his encounter with President Ho Chi Minh, who came to France to attend the Fontainebleau conference of 1946. He expressed his admiration of the heroic Vietnamese people for their struggle for independence and freedom. He hoped his visit will mark the complete reconciliation between the two nations of France and Vietnam and usher in a new era for their relations.

The president assessed that Vietnam is moving in the right direction in the renovation. He affirmed that France will further its efforts to develop relations with Vietnam and help with its economic development, and will be ready to share its experience in legal, scientific, and technological management.

The president promised to ask his relevant ministers to discuss the possibility of settling Vietnam's debt with their counterparts, and also about increased efforts to help Vietnam train its personnel, and the building of a Vietnamese Cultural Center in Paris.

The president asserted that he would carry on his efforts to seek an early lifting of the U.S. embargo against Vietnam, that he would help Vietnam normalize its relations with international financial institutions and the International Monetary Fund and enhance its relations with the European Community.

The French President also announced his government's decision to double its 1992 aid to Vietnam in 1993.

President Le Duc Anh and President Francois Mitterrand exchanged a wide range of views on international and regional issues of mutual concern.

The two sides expressed their concern over the Cambodian situation and affirmed that they would continue to maintain close cooperation so that the Paris agreement on Cambodia could be scrupulously carried out in the interest of a peaceful, independent, and nonaligned Cambodia that has friendly relations with all nations for the sake of peace, stability, and cooperation in Southeast Asia.

The talks took place in an atmosphere of friendship and mutual understanding.

Le Duc Anh Speaks at Banquet

BK1002074593 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Feb 93

["Text" of SRV President Le Duc Anh's speech at 9 Feb Hanoi banquet in honor of visiting French President Francois Mitterrand—recorded]

[Text] Dear His Excellency President Francois Mitterrand and friends: On behalf of the entire country—the SRV Government and the Vietnamese people—and myself, I warmly welcome His Excellency Francois Mitterrand and other distinguished guests:

We are very happy to welcome his excellency, a famous and dynamic national leader, and a man who has untiringly struggled for independence, freedom, and happiness of the French people.

Your Excellency the President's visit has conveyed to our people the fine friendly sentiments of the French people which have been tested through the many ups and downs of history. Your visit to Vietnam, the first by a French president, is an event of historic significance. It is a new development in Vietnamese-French ties and ushers in a new era of multilateral relations between our two countries.

Your country was known for its great 1789 Revolution, the lofty ideas and results of which have contributed greatly to human civilization. Your country now ranks among the most industrialized countries and has made significant contributions to the common causes of the world people, namely, peace, friendship, and cooperation among nations.

President Ho Chi Minh, who lived and worked in France for many years, acquired the essence of French folk culture. In his declaration on Vietnam's independence, he cited an important proposition in the French Revolution's Declaration on Human Rights and Civil Rights: that man was born with freedom and equality in rights and shall have freedom—constant freedom and equality in rights.

During his life, President Ho Chi Minh always treasured the friendship between Vietnam and France. He said: Both the Vietnamese and French people have their confidence in ethics, freedom, equality, compassion, and independence. The Vietnamese and French people can work and have once worked together in equal and honest cooperation to build common happiness for the two nations.

We are happy to note that over the past several decades, millions of French people have stood by the Vietnamese people in their most difficult moments. Of late, the Vietnamese-French friendship and cooperation have increasingly developed in the political, economic, investment, trade, cultural, scientific, and technological fields.

France has persistently backed Vietnam in its efforts to reestablish its relations with international financial and monetary organizations and to build its relations with the European Economic Community.

On behalf of the entire country, the Government and people of Vietnam, I sincerely thank the Government and people of France for their friendly sentiments and valuable cooperation.

Availing myself of this opportunity, I would like to reassert that in our wide-open international relations, we highly treasure our friendship and cooperation with France and will see to it that this fine relationship will develop constantly.

In the Southeast Asian region, peace and stability are developing positively. It is the region's greatest concern at present that the situation in Cambodia has not been stable and that the Paris agreement on Cambodia has not been carried out correctly and fully. As a signatory of the Paris agreement on Cambodia, Vietnam, on its part, has respected and fully implemented the agreement. It is hoped that all parties concerned will implement this agreement in order to create favorable conditions for the Cambodian people to build a peaceful, independent, neutral, and nonaligned Cambodia having friendly relations with all nations, thus contributing to building Southeast Asia into a true zone of peace and friendship for mutual cooperation and development.

We hope France will continue to play a positive role in that lofty mandate.

Your Excellency the President and other distinguished guests: The renovation is entering its seventh year in Vietnam under conditions where our national construction efforts are being affected by the consequences of a protracted and fierce war with so many socioeconomic problems to be overcome. The prolonged U.S. embargo and the errors committed during the course of the socioeconomic construction, along with changes in the Soviet Union and East Europe over the past few years have had a not inconsiderable impact on Vietnam's socioeconomic situation. Faced with this, we have scored modest yet very important achievements. This has given us the momentum to continue moving forward energetically and confidently into the future of a prosperous Vietnam in a Southeast Asian region of peace, cooperation, and development, with confidence in the bright future of friendship and cooperation with France and with other nations and peoples of the world.

May I propose a toast to the health of His Excellency, President Francois Mitterrand, other distinguished guests, and all the dignitaries and friends present; to the ever-better relations between Vietnam and France; and to peace, friendship, and cooperation among nations and peoples in the world. [applause]

Paris TV Reports Dinner Comments

LD0902204293 Paris France-2 Television Network in French 1900 GMT 9 Feb 93

[Excerpts] For the first time since the end of the Indochina war in 1954, the Marseillaise was heard in Hanoi outside the Vietnamese Presidential Palace, which happens to be the

former residence of the governors of French Indochina. Francois Mitterrand has been in Vietnam on an official visit since this morning. A report from our special correspondents Philippe Harrouard and Yves Barbe:

[Begin recording] [Harrouard] [passage omitted including indistinct passage] The people of Hanoi do not perhaps realize it, but a painful page in the history of Franco-Vietnamese relations is being turned in front of their eyes. The handshake this evening between Francois Mitterrand and General Giap during the official dinner is the obvious proof.

Francois Mitterrand greets the new Vietnam, which has embarked on a market economy while retaining its Communist system. He did not fail to stress human rights:

[Mitterrand] Respect for human rights is now a universal demand, with its inseparable companion, economic development. How many times have I repeated this in other continents: Democracy and development are inseparable.

I have decided that France will help Vietnam in its economic renewal. The needs of its 70 million inhabitants are immense, and so is its market. [passage omitted] [end recording]

Mme Mitterrand Unable To Visit

BK1002112293 Hanoi Voice of Vietnam Network in Vietnamese 2300 GMT 9 Feb 93

[Text] According to the Foreign Ministry, the wife of President Francois Mitterrand could not participate in the visit to Vietnam due to a health problem.

Agreements Signed 10 Feb

BK1002084893 Hanoi Voice of Vietnam Network in Vietnamese 0500 GMT 10 Feb 93

[Text] According to a Voice of Vietnam radio correspondent, President Francois Mitterrand of the French Republic visited President Ho Chi Minh's residence and office this morning. The president stopped for quite a while before these memorabilia, which reflect the simple but noble life of Uncle Ho—the esteemed leader of the Vietnamese people and a great friend of the French people, who made tremendous contributions to the cultivation of friendship between the peoples of Vietnam and France.

Later, President Francois Mitterrand toured the Quoc Tu Giam Temple of Culture—Vietnam's first university—and a number of streets and places in the center of the capital and around the area of Hoan Kiem Lake.

At the French Embassy, President Francois Mitterrand held a cordial get-together with representatives of French-speaking Vietnamese intellectuals.

Comrade Pham Van Dong, adviser to the party Central Committee, also held a cordial meeting with President Francois Mitterrand at the Presidential Palace this morning.

At the government guest house this morning, Vietnam and France signed a number of important agreements. These include:

- A contract on the founding and statute of the joint venture between the Vietnam General Posts and Telecommunications Corporation and the Alcatel Company of France;
- An agreement between the Government of the Socialist Republic of Vietnam [SRV] and the Government of the French Republic on the setting up of the representative office of the French School for Far Eastern Studies in Hanoi;
- An agreement between the SRV Government and the French Ministry of Public Health and Humanitarian Actions on the renovation of the Nhi Dong 2 Hospital—Grall 2—in Ho Chi Minh City.
- An agreement between the SRV Government and the Government of the French Republic on avoidance of double taxation and prevention of fiscal evasion and fraud in income and property taxation;
- An agreement between the SRV Government and the Government of the French Republic on juridical and judiciary cooperation; and
- An agreement on the setting up of the Vietnamese-French house of law in Hanoi.

At noon today, President Francois Mitterrand chaired a press conference announcing the results of his visit to Vietnam.

Minister Defends Human Rights Record

BK1002143093 Hong Kong AFP in English 1118 GMT 10 Feb 93

[Text] Hanoi, Feb 10 (AFP)—French President Francois Mitterrand's visit marks the "complete reconciliation" of France and its former colony Vietnam, Vietnamese Foreign Minister Nguyen Manh Cam said here Wednesday.

Cam also defended Vietnam's human rights record during a press conference here, though he maintained that Mitterrand had not raised the issue directly during two days of talks in Hanoi.

"This visit marks the complete reconciliation between the people of France and Vietnam. The visit of the French president this afternoon to Dien Bien Phu is a manifestation of that complete reconciliation," Cam said.

Some 4,000 French soldiers and an even greater number of Vietnamese died in the 1954 battle of Dien Bien Phu, a Vietnamese victory that broke France's grip on its Indochinese colonies.

Cam spoke after Mitterrand completed a two-day visit to Hanoi, the first to the communist capital by a Western head of state. Mitterrand met notably with President Le Duc Anh and Communist Party chief Do Muoi.

"In reality, the issue of human rights was not raised in discussions between the French delegation and its counterparts," Cam said.

But he acknowledged that Mitterrand had said "political freedom should go hand-in-hand with economic freedom," and that French Foreign Minister Roland Dumas had given Cam a list of prisoners to "examine and provide any information on."

Dumas told AFP the list contained the names of 20 religious figures and academics that France considered prisoners of conscience and would like to see released.

"To exercise human rights as well as democratic rights is different from punishing someone for violating the law and security of the country and carrying out activities aimed at overthrowing the government," Cam said in response.

"Any country in the world would do that," he said, adding that Vietnam considered such matters to be internal affairs.

Cam said however that there may have been "misinformation" about some cases, and these would be "re-examined."

Mitterrand Calls on Pham Van Dong

BK1002152193 Hanoi VNA in English 1425 GMT 10 Feb 93

[Text] Hanoi VNA February 10 - French President Francois Mitterrand who is on an official visit to Vietnam this morning called on Pham Van Dong, advisor to the Central Committee of the Communist Party of Vietnam. The two evoked memories of a long period in the history of the two nations. Pham Van Dong welcomed the good will of France toward Vietnam and expressed his hope that the relations between the two countries be further developed in the interests of each country. Mr. F. Mitterrand expressed the fine impressions of his own and his party of this visit and stressed that the presence of the French delegation in Vietnam augurs a new era in the friendly and cooperative relations between France and Vietnam for the prosperity and progress of each country. Foreign Minister Nguyen Manh Cam and Foreign Minister Roland Dumas were present at the reception.

Visits Dien Bien Phu, Ho Chi Minh City

BK1002134993 Hanoi Voice of Vietnam Network in Vietnamese 1100 GMT 10 Feb 93

[Text] After 24 hours in Hanoi with a tight working schedule, French President Francois Mitterrand left Hanoi this afternoon for a visit to Dien Bien Phu and Ho Chi Minh City, the last leg of the official friendship visit to our country by the president and his entourage at the invitation of SRV President Le Duc Anh.

The formal farewell ceremony was solemnly held at the Presidential Palace with the participation of President Le Duc Anh, Vice President Nguyen Thi Binh, Prime

Minister Vo Van Kiet, and many high-ranking leaders of our government. President Le Duc Anh hospitably wished President Francois Mitterrand success for the remainder of his official friendship visit to Vietnam. President Francois Mitterrand expressed his thanks for the warm reception and hospitality of President Le Duc Anh and other Vietnamese leaders.

In his 24 hours in Hanoi, President Mitterrand held talks with President Le Duc Anh, attended a banquet held by President Le Duc Anh in honor of the visiting president in the evening of 9 February, and held a banquet for President Le Duc Anh at the French Embassy at noon in 10 February.

In his speeches, President Francois Mitterrand hailed the fight for national liberation and the protection of the independence of Vietnamese people, commended the initial results of the Vietnam's renovation undertaking, and stated that with this official friendship visit, the friendly relations of the governments and peoples of France and Vietnam had entered a new era. The French Government expressed satisfaction at its contribution to the reconstruction of Vietnam and encouraged French companies and entrepreneurs to invest in Vietnam.

At the international press conference held at noon today in Hanoi, French President Francois Mitterrand repeated in front of hundreds of Vietnamese and overseas newsmen his support of the national liberation and protection as well as the renovation undertaking of the Vietnamese people. He also said that the U.S. trade embargo against Vietnam is outmoded and emphasized that he himself will ask U.S. President Bill Clinton to lift the trade embargo.

During his stay in Hanoi, the French president visited President Ho Chi Minh's living and working quarters. The president visited the Temple of Literature, Quoc Tu Giam Ancient National College, and a number of streets and places in Hanoi and around Hoan Kiem Lake. He also held cordial meetings with representatives of Vietnamese intellectuals and the Hanoi people. The Hanoi people gave the French president an enthusiastic and warm reception.

During the French president's visit, Do Muoi, general secretary of the Communist Party of Vietnam and Party Adviser Phan Van Dong received and had cordial talks with the visiting president.

Also on this occasion, Vietnam and France signed a number of important agreements this morning in Hanoi. The agreements include:

- A contract on the founding and statute of the joint venture between the Vietnam General Posts and Telecommunications Corporation and the Alcatel Company of France;
- An agreement between the SRV Government and the government of the French Republic on the setting up of the representative office of the French School for Far Eastern Studies in Hanoi;
- An agreement between the SRV Government and the French Ministry of Public Health and Humanitarian Actions on the renovation of the Nhi Dong 2 Hospital in Ho Chi Minh City.
- An agreement between the SRV Government and the Government of the French Republic on avoidance of double taxation and prevention of the evasion of income and property tax;
- An agreement between the SRV Government and the Government of the French Republic on juridical and judiciary cooperation; and
- An agreement on the setting up of the Vietnamese-French house of law in Hanoi.

This afternoon, the Vietnam Television Station also held an ceremony to inaugurate the satellite television transmission station given as aid by the French Government.

Also in this afternoon, at the Government Guest House, our Foreign Minister Nguyen Manh Cam held a press conference on the result of the French president's official friendship visit to our country.

Minister Nguyen Manh Cam stated that the official visit to Vietnam by the French president, although brief, had achieved positive results. This is an important, historic event. This is the first time that a French national leader has visited Vietnam and it is also the first time that a Western leader has visited the SRV. The visit marks a complete reconciliation between the peoples of Vietnam and France. The visit of the French president this afternoon to Dien Bien Phu is a manifestation of that complete reconciliation. The official friendship visit to Vietnam by the president French has also ushered in a new era in the bilateral relations of the two countries. The French Republic is ready not only to help Vietnam but also to accelerate cooperation in all fields in order to help Vietnam to develop.

Vietnamese Foreign Minister Nguyen Manh Cam said that after the visit to Dien Bien Phu, this evening, the French president will be visiting Ho Chi Minh City until tomorrow morning. Then the president will visit Cambodia.